

The NATIONAL UNDERWRITER



Approximately half the nation's wealth consists of paintable property—values totaling over 250 billion dollars.

As America's growth has created these values, its paint industry has kept pace with the need for conserving them—has not only provided "coverage" against rot, rust and decay but has satisfied the desire for beautifying for more graceful living. Contrasting with the crude practices of 50 years ago when ingredients were limited and

mixed by hand, today's "miracle methods" utilize some 2000 raw materials to produce paints, varnishes and lacquers of innumerable shades and uniform qualities. Sales of paint products have reached almost \$2,000,000 a day.

The paint industry is not only helping to preserve Home Front property but is creating and supplying new and varied protective coatings vitally important in America's "design for victory."

PROTECTING AMERICA!



Paint coverage and insurance coverage go hand in hand in protecting America's wealth. In addition to reimbursing for loss caused by fire, explosion, windstorm and many other hazards, insurance renders the prime service (vital in war-time) of loss prevention by applying all the

measures known to modern engineering for the conservation of life and property.

Inquiries are invited regarding the extensive underwriting and service facilities of the Royal-Liverpool Group.

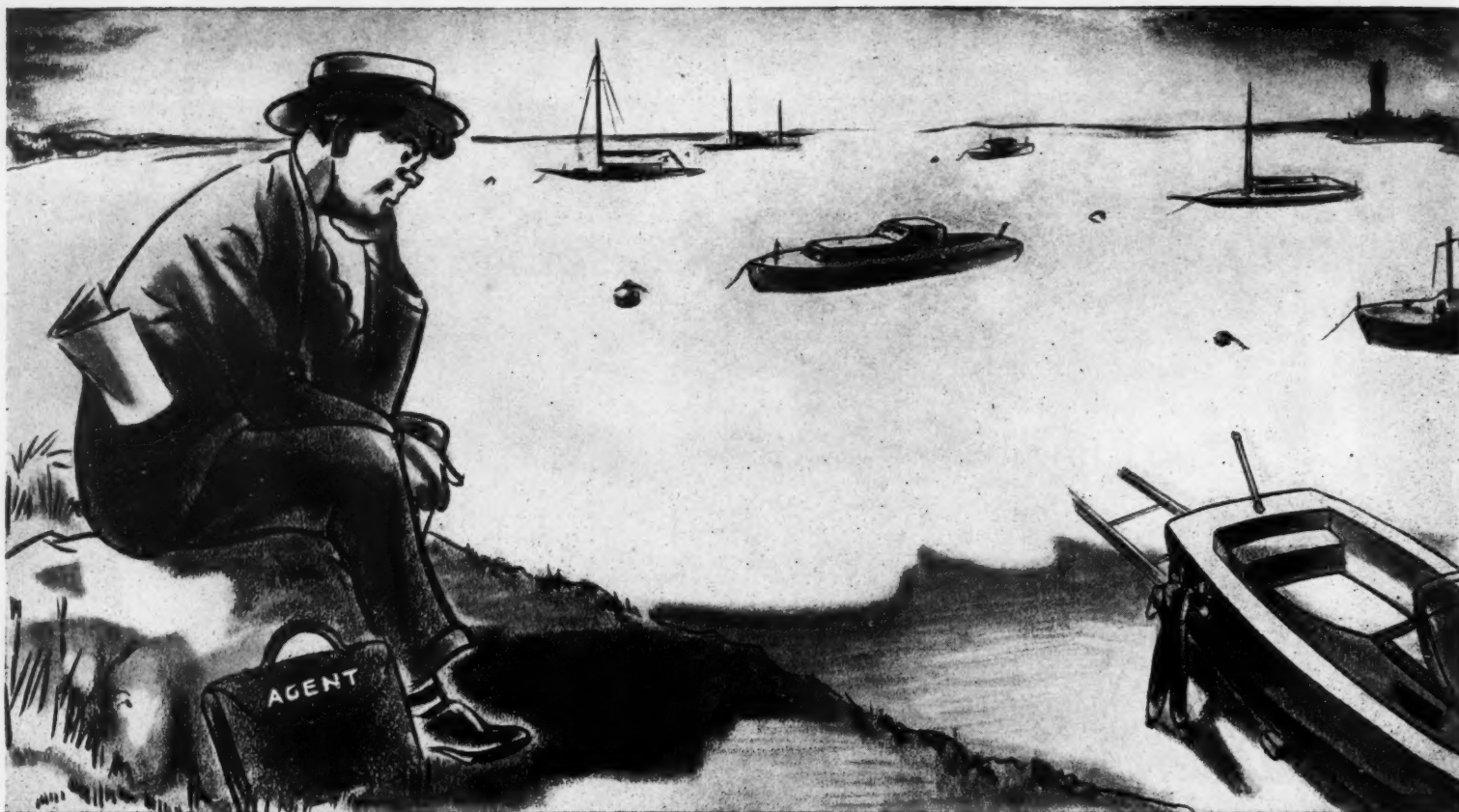
Home front painting and necessary repairs will help to protect assets which, if allowed to deteriorate, may be irreplaceable for years to come.

ROYAL-LIVERPOOL GROUP

ONE HUNDRED FIFTY WILLIAM STREET, NEW YORK, N. Y.

AMERICAN & FOREIGN INSURANCE COMPANY BRITISH & FOREIGN MARINE INSURANCE COMPANY, LTD. CAPITAL FIRE INSURANCE COMPANY OF CALIFORNIA THE LIVERPOOL & LONDON & GLOBE INSURANCE CO., LTD. THOMAS & MERCEY MARINE INSURANCE COMPANY, LTD. QUEEN INSURANCE COMPANY OF AMERICA THE NEWARK FIRE INSURANCE COMPANY THE OCEANIC FIRE INSURANCE COMPANY THE OCEANIC FIRE INSURANCE COMPANY OF AMERICA THE OCEANIC FIRE INSURANCE COMPANY OF AMERICA

THURSDAY, MAY 18, 1944



Tell it to the **MARINE** **OFFICE—**

Harbored in the thousands of lakes, rivers and bays of the United States are pleasure craft of every description from outboards to yachts worth many millions of dollars.

Just now most of these boats are in storage due to the war, but afloat or ashore they need the continuous protection which a Marine Office policy provides.

If you are sitting on top of potential marine business—would like some of it—but just are not sure how to go about it—*tell it to the Marine Office.*

Marine insurance is not difficult to write. Fill out the application form and let marine specialists do the rest. The policy will be prepared by us in the member company you represent and you will countersign it.

It's your business—it's profitable business—it's worth investigating if you are located near boating waters. Send for particulars on how to sell these lines through the Marine Office.

MEMBER COMPANIES

The American Insurance Co.
American Eagle Fire Ins. Co.
The Continental Insurance Co.
Fidelity-Phenix Fire Ins. Co.
Firemen's Insurance Company
Glens Falls Insurance Co.
The Hanover Fire Ins. Co.

If you represent one of these companies or their affiliates you are qualified to write business through the Marine Office.



MARINE OFFICE of AMERICA

116 JOHN STREET

NEW YORK

ALL CLASSES OF OCEAN AND INLAND MARINE INSURANCE

Picture of Your Next Prospect



THERE HE IS... one of the twenty-five millions... one of the huge army of good insurance prospects who read The Saturday Evening Post, The American Home and Time magazines, the three publications that carry Employers' Group advertising.

Sitting at home, relaxed... with his guard down... he sees the effective Employers' Group advertising. He reads about the services of *The Man with the Plan*.

Plan... about the importance of seeing a local Employers' agent for planned insurance protection... and he begins to think it over.

Yes, Employers' Group magazine advertising... combined with our nationwide radio advertising... is sales-conditioning millions of prospects for Employers' Group agents. And those agents who follow it up with our coordinated direct mail campaign claim "It pays to be *The Man with the Plan*."

It Pays to be the Man with the Plan



The Employers' Group

One Liberty Square  Boston 7, Mass.

THE EMPLOYERS' LIABILITY ASSURANCE CORP., LTD.
THE EMPLOYERS' FIRE INSURANCE CO.
AMERICAN EMPLOYERS' INSURANCE CO.



All Clear!

Art treasures are coming out of hiding as the threat of bombing disappears.

But peace-time hazards, which have destroyed more works of art than war, still threaten.

If you own valuable paintings, etchings, tapestries, statuary or other art objects, we have a policy specially designed to protect you from loss. Fine Arts Insurance provides broad protection for the individual collector or museum.

Let us send you full information on this coverage, together with the name of nearest Fidelity-Phenix agent or broker.



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FIDELITY-PHENIX FIRE INSURANCE COMPANY

A Member Company of

THE AMERICA FORE INSURANCE AND INDEMNITY GROUP

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THE CONTINENTAL INSURANCE CO. • THE FIDELITY & CASUALTY CO. • NIAGARA FIRE INSURANCE CO.
MARYLAND INSURANCE CO. • AMERICAN EAGLE FIRE INSURANCE CO. • FIRST AMERICAN FIRE INSURANCE CO.



Uncover prospects
in your territory for
**FINE ARTS
INSURANCE**

Do you want helpful tie-in material? Ask to be placed on the mailing list for folders, posters, reprints and newspaper mats. Write to the Advertising Dept., 80 Maiden Lane, New York 8.

A FRANK STATEMENT ON THE "INSURANCE SHORTAGE"



There is none.

Your sales activities are not limited by rationing, priorities or wartime controls. The market will absorb more protection probably than you have time to sell.

True, people aren't going to form long lines outside your office and plead with you to let them have a little policy to tide them over — nor are they going to deny themselves the luxury of paying high prices for scarce commodities to put their dollars in security.

But, in the words of Milton W. Mays, Director of The Business Development

Office, in an article written exclusively for The North America Fieldman:

"At the present time, the average buyer not only has fewer things on which to spend his dollars, but has more dollars in his pocket than any time in recent years . . . a vast untouched market for insurance."

Our suggestion is that you get in touch with that *untouched* market. Our 32 Service Offices will be glad to show you some of the sales helps and advertising available to Agents of the Insurance Company of North America Companies.



**INSURANCE COMPANY OF
NORTH AMERICA
COMPANIES**

INSURANCE COMPANY OF NORTH AMERICA
THE ALLIANCE INSURANCE COMPANY OF PHILADELPHIA
CENTRAL INSURANCE COMPANY OF BALTIMORE

INDEMNITY INSURANCE COMPANY OF NORTH AMERICA
NATIONAL SECURITY INSURANCE COMPANY
PHILADELPHIA FIRE AND MARINE INSURANCE COMPANY

PROTECT WHAT YOU HAVE • BUY WAR BONDS AND STAMPS

"PREFERRED"...

AS DEFINED BY THE DICTIONARY:

"Set above or before in estimation or favor; regarded or honored before another; held in greater favor; liked better."

THE record of "PREFERRED" performance for 59 years has made this a living definition.

Since 1885 The Preferred Accident Insurance Company has defended its policyholders against loss. Through good times, wars and depressions—it has always lived up to its slogan of "PROMPT PAYING PREFERRED"

Prompt settlement of claims has made the "Preferred" the preferred company of an ever increasing number

of policyholders and has cemented the mutually profitable relationship between the Company, its Agents and Brokers—a large majority of whom have been "Preferred Producers" for a long period of years.

You, too, should place your business with "PROMPT PAYING PREFERRED"

*The Preferred
Accident Insurance Company
of New York*

80 MAIDEN LANE, NEW YORK

Edwin B. Ackerman, President

Automobile • Accident • Burglary • Plate Glass • Liability • Compensation

— Branch Offices —

Boston • Buffalo • Chicago • Los Angeles • Philadelphia • Pittsburgh • San Francisco • Newark

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Agency Chiefs Scan Data on Postwar Population Trends

Study by Census Expert Groups Cities by Growth Prospects

NEW YORK—Because of population shifts and development of new industries, wholly or partly due to the war, many insurance executives are studying available data on probable post-war population trends of various sections with a view to governing their field operations in a realistic manner. One source of information that is being given considerable study is the material prepared by Philip M. Hauser of the federal census bureau, who has talked before a number of organizations on the changing markets as a result of the war and the general trends in population growth and movement.

An important part of Mr. Hauser's studies has to do with the various metropolitan areas and the chances of their retaining their wartime population changes. His analysis resulted in grouping metropolitan areas into four general classes: Class A—those which have grown at a relatively rapid rate since the war began and which in the light of their previously observed rapid growth were judged to be likely to retain their population increases; Class B—those where growth has been rapid during the course of the war but whose population increase, in view of the previous record may be regarded as transitory unless special effort is made after the war to convert wartime activities to normal peacetime pursuits; Class C—those which have lost population or have grown very little since 1940 but which in view of previous rapid growth may come back in the postwar period; and Class D—those which have lost population or gained very little since 1940 and which in view of their previous records cannot be expected to grow rapidly or even to recoup wartime losses in the postwar period. Within these broad classes there are some further distinctions.

"Metropolitan Area" Defined

The metropolitan areas include the cities listed, the counties in which they are located and those adjoining counties in the same or other states that are considered part of the cities' metropolitan areas. The following are the Class A-1 areas, those which have grown most rapidly since 1940 and in the preceding period and which are judged to have the best prospects of retaining their wartime population growth:

Atlanta, Charleston, S. C., Columbia, S. C., Columbus, Ga., Corpus Christi, Tex., Dallas, Galveston, Houston, Jacksonville, Miami, Mobile, Phoenix, San Antonio, San Diego, Tampa-St. Petersburg, Washington, D. C.

Class A-2 areas—those which grew at above-average rates during the war and in the preceding period and which are judged to have excellent prospects of retaining their wartime population growth: Amarillo, Tex., Augusta, Ga., Baltimore, Beaumont-Port Arthur, Tex., Charleston, W. Va., Denver, Detroit, Durham, N. C., Evansville, Ind., Ft. Worth, Indianapolis, Jackson, Miss., Little Rock, Los Angeles, Macon, Ga., Madison, Wis., Memphis, Montgomery, Nashville, New Orleans, Norfolk-Portsmouth-Newport

(CONTINUED ON PAGE 15)

States Rights Bill Back to Senate Subcommittee

WASHINGTON — The Bailey-Van Nuys bill was returned by the Senate judiciary committee on Monday to its special insurance subcommittee for further study and further hearing. Senator Hatch, New Mexico, made the motion and the vote was stated to be "not very close."

The recent protest of American Federation of Labor against the bill was not mentioned in the committee meeting, it is understood, although it is believed to have had something to do with its action.

There was no decision of the Supreme Court Monday in either the S.E.U.A. or Polish National Alliance case.

Senator Hatch had opposed the original subcommittee recommendation of the bill. He took the position the bill is unnecessary, no matter which way the Supreme Court decides the commerce cases.

Senator Wheeler, Montana, contended the committee should take no position while the question is pending before the court.

Senator Connally, Texas, announced he was too busy with foreign affairs, etc., and could no longer serve on the subcommittee. Senator O'Mahoney, Wyoming, leading opponent of the bill, was expected to succeed him. It is believed this means further hearings, if thought necessary.

To Prepare Agenda

The Senate judiciary insurance subcommittee, at a meeting Tuesday afternoon, authorized O'Mahoney to prepare an "agenda." Chairman McCarran said this would probably be submitted this week.

It was learned that the judiciary committee voted to send the bill back to subcommittee by 11 to 6.

O'Mahoney demands an "independent study" of the "facts" by "impartial and competent investigators" before the committee disposes of the bill. He said he hoped to have his agenda later this week.

In a statement to the judiciary committee, he said:

"The committee should call the managers of the Interstate Underwriters Board and of the National Board of Fire Underwriters to submit detailed facts in explanation of the charges of the New York examiner." He was referring to an examiner of the New York insurance department.

Aviation Insurance

"Likewise," O'Mahoney continued, "the managers of the three large aviation insurance combinations should be invited to tell the committee how rates are fixed in this field of insurance in which the states are exercising no jurisdiction."

O'Mahoney declared that employees of the companies now protected by federal labor legislation desire to be heard. The AFL recently protested the Bailey-Van Nuys bill.

"I recognize," said O'Mahoney to THE NATIONAL UNDERWRITER, "that it is of the utmost importance to all insured persons, whether individual or corporate, that there be a sound-system of insurance that they should be protected against 'fly by night' operations. The people don't want that. But the people should be protected in the making of rates and the granting of special favors. The 'big fellows' should not be given preference over the 'little fellows,' as the investigation of the Interstate Underwriters Board shows is being done."

"The question is fundamentally one of the continued concentration of power in

W.I.B. Holds Annual Parley in Chicago

Officers of the Western Insurance Bureau were reelected at the annual meeting in Chicago Wednesday afternoon. H. A. Clark, Firemen's, is president and chairman; Charles D. James, Northwestern National, vice-president;



H. A. CLARK

W. S. Whitford, Millers National, treasurer, and Fred C. Schad, secretary.

This was an abbreviated meeting with no social features. The group was smaller than it has been in the past several years, because the Western Sprinkled Risk Association which formerly held its meeting in conjunction with that of W.I.B. is no longer in existence.

The feature of the meeting was the address of Mr. Clark. He said that W.I.B. is required to file an annual information return with the collector of internal revenue under the new law.

Due to the fact that all uniform forms must be completely changed and reprinted to conform with the provisions of the 1943 New York standard fire policy the bureau assessment for forms will be greatly increased for some time to come, he said.

Mr. Clark gave an interesting analysis of the 1943 standard fire policy and of the dwelling and contents form sponsored for nationwide use by the Insurance Executives Association. In connection with the latter project, he said some underwriters believe that the glass pro rata distribution clause should be entirely eliminated.

Mr. Clark observed that the insurance industry has gone along courageously and has made generous contribution to the war effort. Personnel problems are disheartening and the industry is faced with a larger taxation burden than it has ever faced. He said it was pleasing to have the Navy Department give a citation for meritorious service to the National Board.

the hands of business organizations, which leads inevitably to concentration of power in the hands of the government.

"The business executives who want to preserve states rights and private enterprise should be among the first to do what I ask with respect to the insurance business, and that is to come to Congress and get a clear enunciation of their powers, duties and responsibilities. Then they would be free from discretionary control and free from interference by

(CONTINUED ON PAGE 31)

Commissioners Map Agenda for Chicago Meeting

Convention Period Lengthened—Fraizer and Dineen Main Speakers

By LEVERING CARTWRIGHT

About 20 states were represented at the two-day meeting in St. Louis of the executive committee of the National Association of Insurance Commissioners which was held primarily to perfect the agenda for the Chicago annual meeting June 14-17.

Two formal papers will be presented in Chicago, one by Director Fraizer of Nebraska on multiple line writing and the other by Superintendent Dineen of New York on workmen's compensation insurance.

Fraizer is chairman of the law and legislation committee and it is to him that the industry's subcommittee on multiple line writing headed by John A. Diemand, North America, will report on its investigation of the idea of removing the underwriting barriers in whole or in part between fire and casualty insurance.

The Chicago meeting will occupy most of the week of June 12. A meeting has been scheduled for Tuesday, June 13, by the committee on workmen's compensation headed by Gibbs of Texas. This committee is looking into the workmen's compensation expense situation and that hearing will undoubtedly attract a number of commissioners and company men. Mr. Dineen and a number of the members of his department will arrive in Chicago, June 10 as they have a number of conferences scheduled.

Saturday Afternoon Meeting

Harrington of Massachusetts, the president, announced that the final session will be held Saturday afternoon, June 17, instead of closing at noon on the final day. This brought sighs from the playboy element who felt that they were entitled to Saturday afternoon off in the middle of June. Mr. Harrington decided to extend the convention period so as to give the committees more time for their work. Some of the commissioners will be remaining in Chicago for the Republican national convention the next week and they will be in no hurry to leave the city Saturday afternoon.

The Illinois company group will be hosts to the commissioners at a luncheon June 15 and at a cocktail party, dinner and dance June 16. Governor Green of Illinois will be the banquet speaker. The executive committee holds forth June 14 and then the association proper will be in action for three full days. The multiple line committee will meet June 15.

There was some whisper of association politics in the hotel lobby at St. Louis with a rumor circulating that a campaign for reelection of Harrington as president is brewing. Under the normal succession Commissioner Johnson of Minnesota, the vice-president, would be advanced to the presidency.

At the St. Louis meeting open sessions were held in the morning and afternoon with a sprinkling of camp followers on hand and that evening the group were guests of the St. Louis com-

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Florida Agents Hold Successful Annual Convention

J. H. Gould Elected President; Speakers Score Federal Dictation

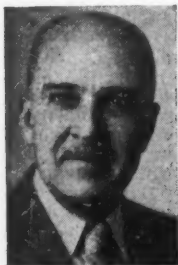
NEW OFFICERS ELECTED
President — J. Howard Gould, St. Petersburg.

Vice-presidents — Flaman B. Adee, Miami Beach, and Major James W. Warren, Tampa (in service).

Secretary-treasurer — A. C. Eifler, Tampa.

Directors — B. D. Cole, Jr., West Palm Beach; W. H. Lindsey, Daytona Beach; A. G. McEachern, St. Petersburg.

WEST PALM BEACH — Sensing dangers that face the agents of country more than 200 members of the Florida Association of Insurance Agents attended the 40th annual convention here. From the opening session Monday morning to installation of new officers by President Fred A. Moreton of the National association Tuesday noon. Meetings were enthusiastically attended. The opening session featured the re-



A. C. Eifler



F. D. Moor

port of President Frank D. Moor of Tallahassee and talk of Insurance Commissioner Larson, whose subject was "State Versus Federal Regulation". Mr. Larson vigorously condemned what he termed federal interference. "Insurance companies should have right to carry on without federal dictation and interference—companies should have the right to sell, insurance agents to make a living, people to buy insurance they desire on whatever form they desire without being dictated to." He added that "under our constitutional form of government we should have opportunity for free enterprise and fair play."

Governor Holland Speaks

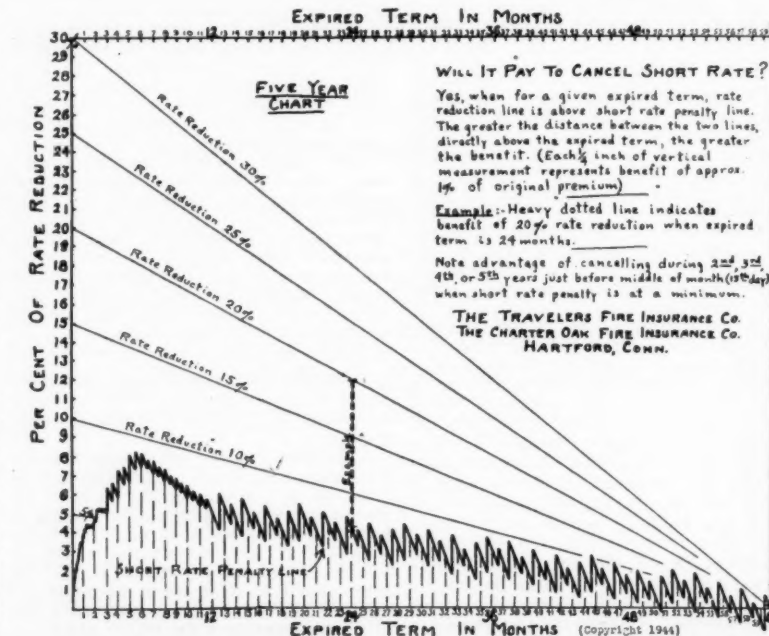
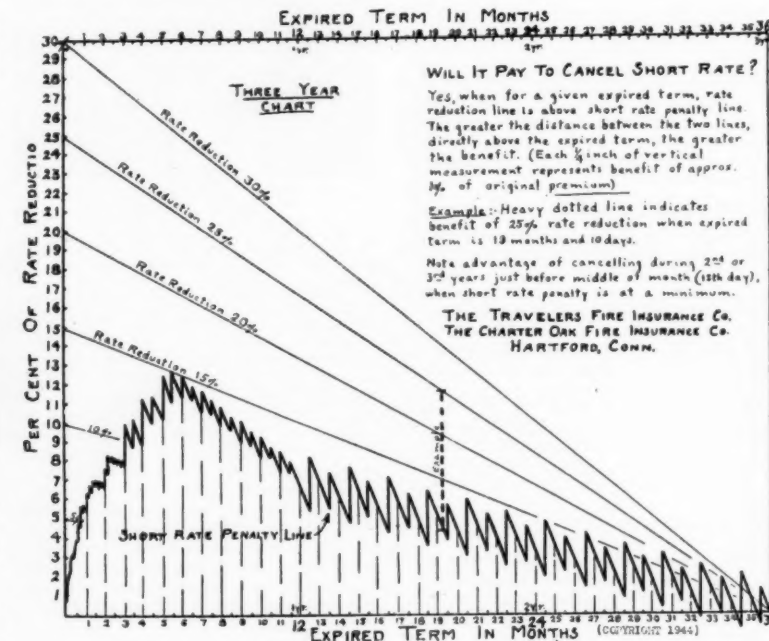
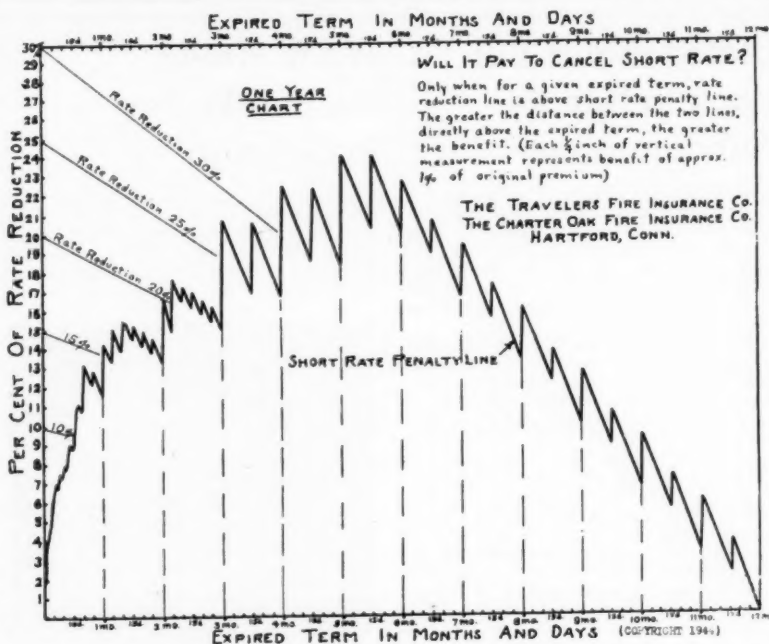
President Moreton's talk followed after report of State National Director Hunter Brown, Pensacola. Governor Holland addressed more than 200 interested listeners at a luncheon given in his honor and expounded Florida's future. Mrs. Holland, Mrs. Larson, and Mrs. Moreton were presented with purses with the compliments of the Florida association.

The highlight of the evening was a banquet at which four Miami students were presented with 100 hour award of the National association for completion of the N.A.I.A. educational course. Students were introduced by Dean McCord and certificates were presented by President Moreton.

Tuesday's session featured J. Howard Gould, St. Petersburg, whose topic was "Private Enterprise". Mr. Gould pointed out that private enterprise, profit and progress are related subjects. He said

(CONTINUED ON PAGE 31)

Short Rate Cancellation Charts



Insurance Men in 30-37 Bracket Stand Well in Draft

WASHINGTON — Insurance men from 30 to 37 years old, in general, are regarded by selective service headquarters as engaged in an essential industry or occupation, a spokesman says. However, it is pointed out, the question of deferment of such men rests, in the final analysis, with the local draft board. The criterion will be whether such an insurance man is "contributing to the national health, safety or interest," in his occupation.

Stating that each case will rest upon its individual merits, the spokesman said that a draft registrant might be only working one or two days a week, for example, spending the rest of his time "playing around." Such an individual's occupation, it was suggested, probably would not be considered as essential. What might seem to be a perfect case for deferment, on paper, might not bear the test of essentiality, in practice, the spokesman said.

The above was stated to be in line with the general principles enunciated by Gen. Hershey, selective service head, as its policy with respect to men from 30 to 37. However, the spokesman emphasized that these principles were intended to serve merely as a "guide" to the local draft boards. The latter are supposed to interpret and apply these principles to individual deferments, bearing in mind the facts about the registrant's occupational and other status.

The chances are very much that the insurance man from 30 to 37 will not be taken in the draft, for the time being, the spokesman said. And, probably, he will not ever be drafted, it was added. However, the selective service policy as to registrants of this age group, it was pointed out, is always contingent upon military war losses and the necessity for replacements.

Laboratories' 50-Year Booklet

Underwriters Laboratories has put out a handsome booklet to mark its 50th year in business. It is profusely illustrated, and pictures and text tell the history of the organization and give a comprehensive account of its work.

Graphic Method of Deciding on Cancellation

The graphic method of deciding the justification of short rate cancellation that was developed by A. G. Smith, chief engineer of Travelers Fire, is being used to a considerable extent by producers in the New York City metropolitan district because of the recent rate changes in the state. The chart is applicable in a few other jurisdictions including Southeastern Underwriters Association, New York state and New England states. The diagrams, for one, three and five year policies respectively, have been developed to indicate at a glance the approximate effect of short rate cancellation when considered for either rewriting at a lower rate or merely effecting general rearrangement of the insurance.

Rate reductions up to 30% are shown on the three charts by means of straight lines drawn downward to the lower right hand corner. When the appropriate rate reduction line is above the short rate penalty line a benefit is securable by short rate cancellation.

The penalty line shows very simply on which policies the penalty will be least. The penalty at any given time is indicated by the vertical measurement from the base line up to the penalty line.

The penalty with term policies in force for over a year drops to a low point the middle of each month and then rises sharply on the 16th day. Hence choice of the exact day of cancellation is important.

Output Boosted, Fatigue Cut by Office-Work Study

**Insurance Accountants
Assn. Hears Talk by Two
Metropolitan Life Experts**

NEW YORK—Latest developments in the field of work simplification as applied to insurance offices were described for members of the Insurance Accountants Association by H. A. Finely and E. M. Derby, manager and supervisor, respectively, of Metropolitan Life's home office surveys and coordination division.

Work simplification is the application of scientifically devised techniques to the problem of enabling workers to produce a greater output with less effort and less fatigue. It has been worked on for many years in manufacturing industries but only within the last few years, since the wartime help shortage has become a problem, have its possibilities been explored to any great extent in the field of office work. Though the speakers did not say so, it has been found that the time saved by work simplification methods can frequently save as much as 25% in time and effect a reduction in workers' fatigue.

Breakdown Into "Duties"

Illustrating his talk with statistical charts, Mr. Finely explained how an analysis of a job is made through time and motion studies. Each job is broken down into different "duties." When analyzed it was remarkable how large the "get ready" and "put away" duties bulked in comparison with the "do" duty. A study of 30 jobs showed that on the average about 87% of the time was consumed in getting the material ready to work on and putting it away after the "do" duty was completed.

Usually these get-ready and put-away duties can be simplified by eliminating some steps, consolidating some, changing the sequence to a more efficient order, or by simplification. Four questions are asked, and it is important to apply them to every phase of the job, not just one or two. These questions are: Can I eliminate this step? Can I combine it with another? Can I change the consequence? Can I simplify?

The charts which Mr. Finely showed demonstrated how minutely each activity is broken down into its component parts, with each being accurately timed and priced in terms of the pay of the worker. Some of the slides showed a clerk doing her work the old inefficient way and then as improved by analysis and thought. The placing of materials on the desk or work-table has a great effect on the worker's efficiency and ability to work without fatigue.

Lists Nine Principles

Mr. Derby's talk dealt with the application of the recognized principles of motion economy. For office work these have been condensed to nine grouped into three classes: Those applying to office tools and equipment; those applying to the work-place; and those applying to the worker himself.

The first principle is "combine and pre-position." For example if a clerk has a great deal of stamping to do it may effect a considerable saving to have her use a self-inking stamp. Forms of the manifold type can often be used to save what would ordinarily be a great deal of duplicate typing. A desk set with a pen in a socket ready to be grasped in the writing position also illustrates.

(CONTINUED ON PAGE 32)

Texas Agents Hold Convention

**J. F. Miazza Emphasizes
Importance of Adjustment
in Austin Talk**

AUSTIN, TEX.—The foundation and framework of public relations consists of loss adjustments, J. F. Miazza, assistant general manager Fire Companies Adjustment Bureau, Dallas, said at the annual convention of the Texas Association of Insurance Agents here Wednesday. The possibility of loss is the only reason for the sale of insurance, he said. It is elementary that the agent should visualize the consequence of loss when analyzing his client's insurance requirements as well as intelligently providing a contract that will guarantee the fullest indemnity.

Considerable Underinsurance

It is common today for the adjuster to find assured greatly underinsured, Mr. Miazza said. Every day F.C.A.B. finds a big loss of this type. Recently an assured increased his value \$50,000 beyond the limit of liability of \$75,000, and was a big loser by the fire. Last week, he said, there was a serious loss on a school where the value of the building was in excess of \$125,000 with only \$25,000 insurance. The F.C.A.B. made a test of 200 claims on dwellings and found the sound value of these buildings \$716,120 with insurance of only \$434,229 or 61%. It is too late after a loss occurs to wish for more insurance which could have been obtained at a small cost, he declared.

Present conditions will produce bad public relations unless an intelligent program is followed by the agent, Mr. Miazza declared. The Texas automobile service office in Austin advised Mr. Miazza that less than 15% of the automobiles in Texas are insured for fire, theft, collision and comprehensive, and that only about 10% are insured for public liability and property damage.

Other Ways Agent Can Help

The agent can help also by finding out if the loss is an emergency or if it can wait several days and by passing this information on to the adjuster. This will prevent the adjuster's running around on losses that could have been delayed and delaying losses that should have attention. Mr. Miazza made a strong appeal to the agents for sympathetic understanding of the adjusters' problem so that assured may also have a better understanding of any delay brought about nowadays by shortage in personnel, lack of gasoline, and difficulty in securing estimates and repair service.

He pointed out that an average of two persons are directly affected by each adjustment, and that each of the adjustments can be expected to be discussed with the claimant's relatives, friends and business associates. He estimated that more than 100,000 claims occur each year in Texas, so that probably 400,000 people are aware of the service rendered by stock fire companies each year in the state. Loss adjustment is the greatest channel for building good will for the insurers and agents, he said.

Brought on Program

The identity of interests between the insurance agent and business man in general is of the first importance to the insurance agent, Averell Broughton, National association public relations counsel, said. The agents' acknowledgment of the importance of business and the need for support to business should in turn bring acknowledgment by business of the agent's contribution, he stated.

The Texas association now has 1,305 paid members, 83 more than ever before, President Alden A. Evans said in his administration report. He said that the relationship between agents and companies never has been better and this

Crabbe Proposes Law Clarifications to Ohio Bar Group

COLUMBUS — Insurance Superintendent J. R. Crabbe, in his address before the insurance section of the Ohio State Bar Association here, gave an exhaustive and well documented review of suggestions for recodification of the Ohio insurance laws to eliminate inconsistencies and give the insurance department authority to exercise its functions to the fullest extent. C. E. Curtis, LeRoy, counsel Ohio Farmers, was chairman of the group.

The most important parts of the code needing clarification, Mr. Crabbe said, are those concerning charter powers of companies, annual statements, assessment companies, exemptions from regulation and taxation, sale of insurance securities and agency licensing and supervision. He reviewed the history of these provisions, pointing out that most of the trouble has been caused by unrelated legislation at different times and by the legislature enacting various provisions as amendments to specific sections, resulting in the law not being broad enough to cover the intended field.

Charter Power Situation

For example, Mr. Crabbe pointed out, part of the legislation on what kinds of insurance a stock fire insurance company may write is incorporated in the section on mutual carriers.

There should be no distinction between stock and mutual companies on underwriting powers and this feature should be covered in a single, separate section. Likewise, there is no full authority in the present Ohio laws for organization of a mutual life insurance company.

There are 12 sections of the code requiring filing of annual statements, some of them conflicting, but in the aggregate they do not specifically require as much information as the convention blank of the National Association of Insurance Commissioners. The many unrelated provisions for exemption of certain carriers from parts of the insurance laws are confusing and archaic, and Mr. Crabbe told of an assessment organization writing persons engaged in a hazardous occupation which had gotten into very serious condition, but rehabilitated itself by voluntarily following the insurance department's advice, although by a quirk of the laws there was no way by which this could have been compelled.

April Losses Are 1% Higher

NEW YORK—The National Board's estimate of April fire and lightning losses is \$34,746,000. This is 1% higher than April, 1943, and 11% less than March, 1944. Below are shown the 1942, 1943 and 1944 figures for the first four months and the totals:

Jan.	\$35,565,000	\$ 27,733,000	\$ 38,572,000
Feb.	30,819,000	33,175,000	38,280,000
March	30,505,000	39,214,000	39,084,000
April	27,960,000	34,241,000	34,746,000

Total \$124,849,000 \$134,363,000 \$150,682,000

April losses were the highest for any April since 1932, when they totalled \$43,822,000. Losses in the 12 months ended April 30 are estimated at \$396,554,000, compared with \$324,363,000 for the year ended April, 1943.

San Francisco Office Closed

The San Francisco office of West American has been closed and its northern California business will be handled hereafter by Cravens, Dargan & Co.

constitutes good public relations in the insurance ranks. While the business has had its troubles, the future looks brighter than it did a year ago, he said.

Okla. Agents to Seek Qualification, Responsibility Laws

**Convention Also Recommends
1943 Fire Policy;
Breeding President**

NEW OFFICERS ELECTED
President—M. B. Breeding, Oklahoma City.

Vice-president—Harry Parrish, Tulsa.
Secretary-treasurer—Fred F. Fox, Oklahoma City.

Executive committee—H. F. Carmichael, Sayre; John Mugler, Perry; H. P. Yerby, Poteau.

OKLAHOMA CITY — The Oklahoma Association of Insurance Agents at its 35th annual convention here authorized steps to be taken to have the



M. B. BREEDING

1943 New York fire policy adopted in Oklahoma. It authorized the drafting of an agency qualification bill to be presented at the next meeting of the legislature, and recommended that a bill be drafted of a financial responsibility law. The commissioner and the insurance board will be asked to support the passage of both bills.

The convention swung into action under the gavel of President John W. Bowers with a registration of 186.

D. R. McKown, executive committee member from Oklahoma City, pointed out that attendance represented 27 towns of the state, largely as the result of vigorous participation in the National association's public relations program. Instead of holding executive committee meetings at some central point as heretofore, the committee met this year in localities which had the lowest percentage of membership, with the result that membership increased 50 percent since last June, he said. "We wanted to meet the agents and let them know what we are doing, so we carried the association to them. While driving to the meeting place we picked up a number of new members," he said.

Moran Discusses Education

Among the subjects dominating discussions was education, introduced by Henry Moran of Oklahoma City and president of the Oklahoma City Exchange. He recently conducted a class for the Women's Insurance Club there, and was impressed with their interest in

(CONTINUED ON PAGE 16)

Company Wins Fire Cancellation Case

Postal Receipt of First Class Letter Held Not Rebutted by Mere Denial

NEW ORLEANS—The U. S. Circuit Court of Appeals here upheld first class mail cancellation of a fire insurance policy, where the agent had taken a postmaster's mailing receipt and the assured denied he had received the notice. The appeals court completely affirmed the opinion of District Judge Caillouet, who stated in his opinion that the bare denial of the assured did not rebut the strong presumption that the notice had been delivered.

This case is very interesting to insurance men, because the standard fire policies provide that notice of cancellation shall be "given" the assured, and do not say specifically that proof of mailing shall suffice. Just what would happen when it became a clear case of the receipt against the assured's denial of delivery has been a matter of curiosity for several years. The New York case

of Garber vs. Firemen's, 2 N. Y. S. (2d) 801, has not been regarded as conclusive, since the assured there had told a member of the fire insurance patrol that he had no insurance and this was admitted as evidence.

In the present case, Harding vs. American of Newark, the assured suffered a fire loss after expiration of the cancellation period and sued the company, claiming he never received the cancellation notice. The company offered the postmaster's receipt, form No. 3817, as evidence of mailing the notice. Judge Caillouet obviously doubted the assured's story, pointing out in his opinion that it was "vague, vacillating and unimpressive" and that Harding did not swear positively that he did not receive the notice until he had exhausted all attempts to avoid this. The judge also pointed out that many other letters sent first class mail were sent Harding by the agent and none were returned by the postoffice, although they bore the agent's return address and concluded that the assured had failed to rebut the presumption that a properly addressed letter, mailed with postage fully prepaid, is delivered in due course.

Use FBI crime reports in selling burglary insurance. Write for samples of "Why You Need Burglary Insurance Protection." National Underwriter, 175 W. Jackson Blvd., Chicago 4, Ill.

Social Security? Question Insurance Still Can't Answer

NEW YORK—In approaching the problem of social security, there is a great need for more basic, factual information than is now available to either the public or the insurance business itself and the research work in which his organization is engaged is intended to provide such information, E. H. O'Connor, executive director of the Insurance Economics Society of America, told the Insurance Advertising Conference at its spring meeting.

There is every reason to believe that people are anxious to know more about social security, and that they would appreciate an opportunity to judge for themselves whether or not an expanded program of compulsory social insurance is what they want. Such information as they have now almost altogether concerns benefits and other advantages. There is very little solid and thoughtful material, presenting the whole picture, good and bad, negative and positive.

"As insurance men and women, the public, we may as well admit, has us

in a spot," Mr. O'Connor said. "It is in a position to ask us questions to which we should have an answer, but we have none. If it is true that everything in our knowledge and experience makes us doubtful that compulsory social insurance programs will be as desirable for America as their advocates would have us believe, can we, on the basis of that knowledge which we now have, and that experience which we have gained, effectively oppose such programs?"

"And if we oppose them by merely stating opinions, and without any real knowledge of social insurance, which is outside our experience, will we achieve anything, other than to convince the public that we are against, not only compulsory social insurance, but social security itself?"

Can't Ignore Social Trends

It would be a great error, Mr. O'Connor said, to ignore powerful social trends. The pressure for some kind of social security is building up, and that pressure emanates from the people.

The accomplishments of insurance have been for the most part in the nature of specific solutions to specific parts of the problem, never so related to the whole that the public might see them in that light. It might cite, for example, the outstanding developments in group insurance, salary savings insurance, pension plans, hospitalization plans and in similar fields.

Workmen's compensation people are actively on the job dealing with the so-called "second injury" problem. Very recently the fire companies, in an unprecedented move, made joint announcement of a new type of broad residence cover.

He challenged the contention of supporters of the movement for expansion that only government possesses the initiative and vision necessary to fit the nation's economy to social requirements of the post-war era and declared that, since insurance is definitely a part of American enterprise and has itself an unparalleled record of past achievement, it could be expected to do its part to justifying the continued faith of the American people in the leadership and opportunities provided through the working of free American enterprise.

Simplification of Forms

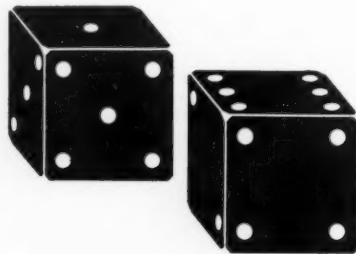
The advisability of simplifying insurance forms and terms so that the average agent can understand them with a minimum of study was brought out by C. B. Bristol, Aetna Fire group. A participant in a panel conducted by H. J. Graham, Hartford Accident, Mr. Bristol pointed out that there are some 8,000 forms with 200 active endorsements and it is impossible for the average agent to familiarize himself with all of them. The greatest problem the average agent has is time control. Too often his office duties run him instead of him running them.

Mr. Bristol commented on the selection of such terms as "extended coverage," "use and occupancy" and the "D.D.D." policy. He ventured the opinion that many heads of bond departments do not know that the three D's stand for dishonesty, disappearance and destruction.

Outworn Trade Marks

He said that many lines are no longer entirely dependent on salesmanship because the demand for the coverages is created by law in many instances. The agent should be educated to regard his business as a profession. Speaking of educational campaigns, Mr. Bristol stated that in his opinion "canned" sales talks are of value because the average agent gets the idea much clearer by listening to them than he can by reading the words himself.

E. E. Sterns, Travelers, cautioned against advertisers becoming too fastened to a trademark which has outworn its usefulness. He said that while this is a picture age, too much emphasis can be placed on dramatizing subjects which becomes tiresome. It is his opinion that



How insurance works

There are a lot of people who don't know how insurance works! Some think it's a gamble where you either win, lose or draw. Some think it's a necessary evil you can't avoid. But actually it's a free-enterprise American

business, where the experience, knowledge and services of many persons are combined for one purpose—to protect people from loss. Shouldn't we spend more time explaining to folks that that's the way insurance works!



When somebody asks you "why is the agent a good man to know?", the answer is "he makes people safer and happier!"

★

Ohio Farmers

INSURANCE COMPANY • LEROY, O.

Chartered 1848

MEMBER • THE NATIONAL BOARD OF FIRE UNDERWRITERS



THE INSURANCE AGENT IS A GOOD MAN TO KNOW

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national advertising should play up the value of the agent. The kind of advertising material the agent likes, Mr. Sterns asserted, is that which is subject to personalization, something to which he can attach a personal message addressed to the individual.

Howard Korman, McCann-Erickson, Inc., gave an analysis of the interest and knowledge of a product from the president of a firm down to the dealer. He said that the man in the field should dictate the selling plan or portfolio to be prepared by the company. Find out what he wants and then give it to him.

The luncheon speaker was Fred A. Moreton, president National Association of Insurance Agents. He said that agents are in a position to do three distinct selling jobs in behalf of the business.

"We can sell the idea of insurance itself, its social significance, its contributions to the public welfare and to the national economy. We can and must interpret the value of insurance agency service which is an important part of a distribution system which has unparalleled results. And we can sell your product—the insurance policy."

Mr. Moreton pointed out that public relations thinking in insurance has progressed to the point where insurance men are beginning to appreciate that the basic interests of almost all business are identical and "if we wish proper understanding of our problems, we must begin to learn more about the other fellow's."

Harmonious Relationship

The speaker said that there has never been as harmonious relationship between companies and producers as exists today. While there are honest differences of opinion, Mr. Moreton declared that the agents and companies are learning to preserve their own distinct identities and yet work together to solve their differences in the light of good public interest. "We are beginning to appreciate, as never before, that the sum total of our interests far exceeds the sum total of our differences and that sound public relations is a great common yardstick by which our individual progress can be measured in reaching a common goal. The friendly relationships are a working agreement in which each party seeks to improve its service to the public and its relationships with the public. We are not standing still together. We are moving forward together."

C. J. Corliss, manager public section Association of American Railroads, outlined the public relations job done by the railroads in the last few years. He said that free enterprise will survive only through the securing of a proper public understanding and appreciation of what the system is, what it does, how it works and what it accomplishes and that to secure such an understanding, every industry or business has a responsibility to the people of this country, not only to do its job and to do it well, but to discuss its affairs, its accomplishments and its problems freely.

The meeting was extremely well attended and among the guests was Wade Fetzer, Jr., Chicago, who addressed the I. A. C. last year on "Make No Little Plans."

RFC Disposing of Some Surpluses

WASHINGTON—Under new government regulations for disposal of surplus war property, the RFC is put in charge of disposal not only of surplus planes and gliders, but also sprinkler system components, certain safety signal fixtures, hazard measuring devices, and many other items. Government agencies with surplus war property will report it to the regional or district office of the several disposal agencies.

In the case of RFC these offices are in Atlanta, Boston, Charlotte, N. C.; Chicago, Cleveland, Detroit, Dallas, Houston, Denver, Kansas City, Los Angeles, San Francisco, Portland, Ore., Minneapolis, New Orleans, New York City, Omaha, Philadelphia, Richmond, St. Louis, San Antonio, and Salt Lake.

C.P.C.U. Program Makes Progress Despite War

Despite the various handicaps as a result of the war there are more Chartered Property Casualty Underwriter study groups in operation in 1944 than last year, Dr. S. S. Huebner, chairman of the American Institute for Property & Liability Underwriters, reports in a summary of the institute's first year of operation to the American Association of University Teachers of Insurance.

Indications are that a substantially

larger number of examinations will be taken this year. If such progress can be made under wartime conditions, then the growth in normal times should be most satisfactory, Dr. Huebner pointed out.

The C.P.C.U. program has been retarded by the limited number of insurance teachers available as well as the restricted number of younger potential candidates. Leaves of absences to enter war work or assignments to specialized war service training programs have further depleted the normal small num-

ber of insurance teachers. With so many younger men in the service it has been difficult to recruit a sufficient number of candidates to warrant colleges and universities to conduct classes.

Unpaid N. Y. Earned Premiums

Unpaid earned fire premiums reported by the Central Bureau of New York were \$7,372 for December, 1943, a decrease of \$4,571 from December, 1942. For casualty premiums the figure was \$33,528 a decrease of \$31,560.

**MORE PEOPLE
HAVE
MORE LUXURIES**
★ *than ever* ★
before in History



IN spite of war and the hardships it brings to many, the American people own more valuables beyond the bare necessities of life than they ever owned before.

They've been buying the stores out of things like furs, jewelry, antiques, fine arts, valuable rugs, hobby equipment, sterling silver, sports equipment, musical instruments, valuable collections, photographic equipment. If they can afford these luxuries, they can also afford to insure them. Now is the time to teach them the *insurance habit*.

All these things may be covered by *comprehensive insurance*. Those who don't have concentrations of value in any particular class should be sold *Personal Effects Insurance*, or the *Personal Property Floater*.

This month the Security Insurance Companies are offering a complete new sales-help campaign on these personal *comprehensive lines*. There's a new blotter on the "luxury lines," a new newspaper advertisement, a new poster, a suggested letter, and specific folders for each of *nine different lines*.

This is only one example of the Security Companies' helpfulness to their agents. During 1944 our companies will offer ten new selling campaigns on fire, or allied or inland marine subjects, and ten more on casualty subjects. This complete sales promotion service is merely a supplement to the fast, well-informed, multiple-line service available through our Field Offices and fieldmen in every state in the Union, as well as in Canada.



Security Insurance Companies



SECURITY INSURANCE COMPANY OF NEW HAVEN
EAST & WEST INSURANCE COMPANY OF NEW HAVEN
NEW HAVEN UNDERWRITERS
CONNECTICUT INDEMNITY COMPANY

1841—SECURITY, THE NATION'S WATCHWORD—1944

Small Chance of N. Y. Reduction Change

NEW YORK—Little hope is seen for any of the suggestions advanced by the New York Association of Local Agents for an alternative method of giving insured in New York state whose fire policies became effective before Feb. 1 the advantage of the rate reduction. A number of suggestions were advanced, including that made at the recent agents' meeting for increasing coverage proportionately to the reduction in rate. The superintendent has turned down such a suggestion by the New York brokers.

For one thing the companies stand to lose somewhere between \$2.5 and \$4.5 million through the rewriting of policies even with the short rate cancellation penalty. The suggestions that have been advanced would undoubtedly simplify the office work of agents and brokers but would also have the effect of giving the insured about \$9 million, or \$4.5 to \$6.5 million more than they will get by cancelling and rewriting. From a company point of view there is also the consideration that even if all the agents could get together on the type of alternative they wanted—and there is a wide variety of suggestions—the promulgation of an alternative would mean extra work for the many agents who have gone ahead with their clients on the basis of cancelling and rewriting.

There is of course no way that the right to cancel and rewrite can be abrogated but it would be necessary for agents to explain to their clients that contrary to what they had been told there was now a choice of methods and did they still want to cancel and rewrite or would they prefer the new basis?

Savings through cancelling and rewriting are possible only on annual pre-

mium policies where the reduction is as much as 25% and where the policy has been in effect 90 days or less except that there is a fraction of 1% possible saving where insurance has been in force 103 to 105 days. On term policies, however, considerable savings are possible.

Though Superintendent Dineen has made clear his willingness to consider improvements in the mechanical methods of effectuating the rate reduction any change would obviously have to have the backing of the New York Fire Insurance Rating Organization, since the order was based on an agreement between that organization and the department and neither the agents nor the brokers were parties to it.

Insurance Group of Credit Association Meets at Omaha

The National Association of Credit Men is holding its war congress in Omaha this week.

The meeting will largely be given over to panel discussions, taking up subjects of primary interest to the credit man. The insurance feature will be a panel discussion, the participants being J. Dillard Hall, assistant agency director U. S. F. & G., vice-chairman of the insurance group; G. H. McClure, Lumbermen's Mutual Casualty, Chicago; H. D. Coe, Associated Mutuals, Omaha; George W. Bewell, Beely Agency, St. Paul; O. L. Cox, Miller, Kuhrt & Cox, Los Angeles; C. A. Abrahamson, Omaha Insurance Agency, Omaha.

Don C. Campbell, credit manager of America Fore in the western department, Chicago, was unable to attend the meeting. He is chairman of the insurance group of the association.

Distribute "Why You Need Burglary Insurance Protection" booklets containing latest FBI crime figures. For sample and prices write National Underwriter, 175 W. Jackson Blvd., Chicago 4, Ill.

Youths Cause Increase in Arson

NEW YORK—There has been a distinct increase in the type of incendiary fires due to pyromaniacs and to youthful persons affected by the unsettled wartime conditions, it is stated in the annual report prepared by the committee on incendiarism and arson of the National Board.

The arson investigators found no enemy-directed sabotage by fire. However, there have been incendiary fires directly attributable to war conditions.

"For instance," the report states, "fires have occurred in a meat packing plant ordered closed for violation of OPA regulations, in small grocery stores, filling stations and roadhouses whose proprietors have had to respond to calls of selective service or whose businesses have been lessened seriously by the restrictions on gasoline and tires. In one case, in the middle west, which possibly may be regarded as a warning of future conditions, a serious fire of incendiary origin doubtless was due to a change in the rulings of the War Production Board with reference to the use of restricted materials, which made obsolete the type of manufacture employed by the concern in question."

During the period covered, the arson investigators reported on 2,012 fires of suspicious origin. They cooperated with public officials in arson investigations which resulted in 594 arrests. There were 429 convictions for arson during the year, and only 32 acquittals, the report stated.

It is felt the increase in incendiary fires is due in large part to the effect upon young people of the unusual conditions surrounding the war and not to any increase in fires set for financial gain.

The committee fears that when the war is over and if economic conditions

become less favorable, fires set for profit will increase in number.

Hare to Fla.: Kirby in Charge

H. M. Hare, central department manager of Northwestern Mutual Fire at Columbus, has been transferred to Florida to supervise that state. He will select his headquarters, probably in Jacksonville. Mr. Hare suffered a heart attack in September. He is being succeeded in Columbus by B. B. Kirby, assistant manager there, who will have the title of acting manager. Mr. Hare has been with the central department for 10 years and Mr. Kirby with the company 12 years in various posts. He was special agent in Oklahoma, Missouri and Arkansas before going to Columbus as assistant.

Deposit Premium Not Taxable

WASHINGTON—In order to conform internal revenue regulations 111 to section 135, revenue act of 1943, relating to mutual fire insurance companies issuing perpetual policies, the Treasury Department has issued T. D. 5369 amending those regulations at a number of points.

The new law provides for taxability of fire insurance companies exclusively issuing perpetual or refundable single premium policies under the internal revenue code.

It is provided that the amount of single deposit premiums paid to such companies shall not be included in gross income. The amendments apply with respect to taxable years beginning after Dec. 31, 1941.

Provision is made for deductions on account of dividends or similar distributions to policyholders.

Conway Named Adjuster

E. W. Conway has been appointed Diego, Cal., succeeding Don Johnstone, adjuster by Pacific Automobile at San who resigned to enter the local agency and brokerage field.

FIRE and ALLIED LINES

REINSURANCE



INTER-OCEAN
REINSURANCE
COMPANY
CEDAR RAPIDS, IOWA

NEW YORK 90 JOHN ST.

SAN FRANCISCO 114 SANSOME ST.

Good-Will No Asset in Disincorporation of Agency

SEATTLE—Holding that "neither the name of the corporation, its location, its agency agreements, nor its existing policies with customers" have any value when a local agency or brokerage firm is changed from a corporation to an individual ownership, the U. S. tax court has held that the commissioner of internal revenue at Seattle erred in his valuation of the assets of Carter, MacDonald & Co., Seattle agency, which D. K. MacDonald and his wife, the owners, dissolved, assuming all liabilities and surrendering their stock in exchange for the corporation assets. Mr. MacDonald now operates his agency under the same name but not as a corporation.

No gain was reported by the MacDonalds on their individual income tax liability for 1941, the year the corporation was dissolved. In valuing the assets received under the terms of the sale the MacDonalds deducted the "good will" item set at \$74,128 in the corporation's statement for the seven months preceding the sale, holding that it had no value for the purpose of the sale. At the time of liquidation, liabilities exceeded assets, with Mr. MacDonald assuming all liabilities.

Additional Valuation Set at \$99,635

The internal revenue department held that the corporation had a value of \$99,635 in addition to the tangible assets, alleging this sum represented the fair market value of the "insurance agency accounts and business" computed at 12 times the monthly average of gross commissions received during the 36 months prior to disincorporation. The commissioner levied a deficiency tax of \$10,381 representing the increased valuation.

In the findings of fact, the court recited D. K. MacDonald's business background, stating that he had been in the insurance business in Seattle since 1908 and that the development of the business of the corporation was primarily due to D. K. MacDonald's aggressiveness and business ability. It was also pointed out that accounts the firm generally handled were "of the larger variety and involved greater and more specialized risks than the usual type of account which could be renewed automatically merely by the writing of a letter to the customer prior to the date of expiration."

Simply Matter of Valuation

The court held that "this matter is simply reduced to a question of the fair market value of these agency accounts and business." The case was tried on the stipulation that the phrase "insurance agency accounts and business," included: (1) agency agreements with various companies; (2) insurance agreements in existence between the corporation and its customers; (3) goodwill of the corporation.

Agency agreements, being terminable at will or upon 30 days notice, and the insurance agreements with customers have no fair market value in such a case, the court held. "These insurance agreements involved special hazards, were not automatically renewable, depended for renewal to a large extent upon the personal efforts of D. K. MacDonald, and that the corporation had no contracts which obligated any of its customers to take insurance in the future. Obviously, then, any excess of the fair market value of the assets received by the petitioners over the liabilities assumed by them exists, if at all, in the good will of the corporation. There is no specific rule for the determination of the value of good will and each case must be considered and determined in the light of its own particular facts."

Any value which the business may have had, in addition to its tangible assets, "was due to the personal ability, business acquaintanceship and other in-

dividualistic qualities of D. K. MacDonald. The policy of the corporation was decided by D. K. MacDonald and all employees worked under his direction and supervision. There existed no contract between the corporation and any of its employees, including D. K. MacDonald, with respect to future services. Neither the name of the corporation, its location, its agency agreements, nor its existing policies with customers had any value. If the law prevents the recognition of the personal ability and personality of D. K. MacDonald as an element of this corporation's good will for

income tax purposes, then petitioners did not receive any good will as a result of their acquisition of this corporation's assets.

"Nothing in this opinion is inconsistent with the authorities cited by respondent to show that good will is an intangible asset having value under certain circumstances or that a list of customers may, under particular conditions, also possess value. Neither those circumstances nor conditions are present in the instant cases. The valuation placed upon its capital stock by the corporation (\$200,000, in connection with

its 1941 capital stock tax return) and the value placed upon its good will by the corporation (\$74,028) in the balance sheet which is a part of its 1941 corporation income, declared value excess profits, and defense tax returns are not binding. We think the balance sheet valuation is overcome by other evidence herein."

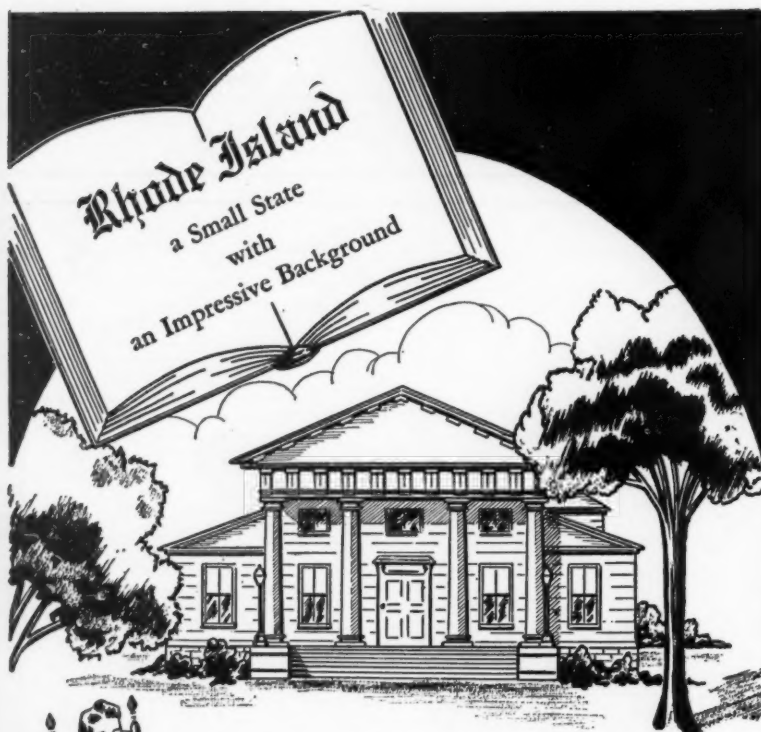
Distribute "Why You Need Burglary Insurance Protection" booklets containing latest FBI crime figures. For sample and prices write National Underwriter, 175 W. Jackson Blvd., Chicago 4, Ill.



Practically all forms except life

GREAT AMERICAN
GREAT AMERICAN INDEMNITY
AMERICAN ALLIANCE
AMERICAN NATIONAL
COUNTY FIRE
DETROIT FIRE & MARINE
MASSACHUSETTS FIRE & MARINE
NORTH CAROLINA HOME
ROCHESTER AMERICAN

ONE LIBERTY STREET • NEW YORK CITY



In 1747 Rhode Island made a valuable and lasting contribution to education and culture through a book fund which was begun by Abraham Redwood, prominent Newport Quaker. His gift of 500 pounds led to the founding of the Redwood Library, the first to be built in New England.

The edifice, which still stands as originally built, was completed in 1750. It was designed by Peter Harrison, and its books on Natural History and many general subjects were ordered from England.

With the exception of some of the college libraries, Redwood Library is the oldest in this country. It contains a large and excellent collection of books and famous paintings, among which are several by Gilbert Stuart, Rhode Island's celebrated portrait painter.

Because of its unusual architecture, Redwood Library has remained a sturdy symbol of beauty and learning for nearly two hundred years.

Broad and adequate protection against fire and War Damage for important public buildings—and Inland Marine coverages for their valuable, and often irreplaceable, contents—is a material part of the business of the Rhode Island Insurance Company.

RHODE ISLAND INSURANCE COMPANY

PROVIDENCE • RHODE ISLAND

Progressive in Outlook—Conservative in Management

FIRE • AUTOMOBILE  INLAND MARINE
OCEAN MARINE

NEWS OF FIELD MEN

Virginia Field Club Officers Are Reelected

RICHMOND—Marshall C. Speight, Globe & Rutgers, was reelected president of the Stock Fire Insurance Field of Virginia at its annual meeting, as were other officers. They were: Hunter M. Gibbons, Home vice-president, and Albert C. Word, secretary-treasurer. In reviewing the year, President Speight said perhaps the most outstanding work of the field men was the inspection of 100 or more industrial plants in Richmond. New members of the executive committee are John C. Eley, Royal Exchange; T. E. Hollinsworth, Royal-Liverpool; W. M. Goodman, Continental; Drury P. Malone, general agent. The club has 85 active members and 18 in service.

The Virginia Blue Goose also staged its annual splash, initiating nine candidates. William P. Hundley, Firemen's, was elected most loyal gander, succeeding W. H. Davidson. William A. Jordan, Jr., Royal-Liverpool, became supervisor; G. R. Friddell, Hartford, custodian; H. N. Taliaferro, Security, guardian; R. R. Connelly, Fire Companies Adjustment Bureau, keeper, and W. M. Goodman, Continental, welder.

Oklahoma SWIS Meeting Held in Oklahoma City

With nearly 70 field men in attendance, an Oklahoma SWIS meeting was held in Oklahoma City. Speakers included T. J. Ellis, state fire marshal, and SWIS director, Maj. Frederick Kraissl, Jr., of Dallas; H. K. Rogers, Western Actuarial Bureau; Jesse E. Murray, Jr., National Union; E. L. Richards and Clifford Anderson, both of the Oklahoma Inspection Bureau.

The report form was broken down into its several sections, and each one explained and discussed thoroughly. Mr. Murray described the procedure for getting information from plant managers. Mr. Anderson discussed the treatment in the report of electrical hazards, emphasizing that there is really no such thing as an "electrical hazard" but that the "hazard" lies in the manner in which the human element handles electrical installations and appliances. Mr. Richards spoke on special fire hazards.

Emphasis was laid on the fact that the inspectors' function is to report, not to recommend. Reports, when completed, are turned over to the evaluation committee, which is to make recommendations covering the correction of faulty conditions.

Neb. Field Meetings May 26

The annual meeting of the Nebraska pond of the Blue Goose will be held May 26 at the Blackstone hotel in Omaha. The Nebraska Fire Underwriters Association will hold its annual meeting at the same time and place, along with the Nebraska Fire Prevention Association. The Blue Goose initiation will wind up the afternoon and evening's activities.

Carolinas Pond Meets June 8

The annual meeting of the Carolinas Blue Goose will be held at Charlotte, N. C., June 8, with Jack E. Smith, Aetna Fire, most loyal gander, presiding. Six goslings will be initiated, with Capt. F. C. Newcomer in charge of initiation by the degree team. Ladies will be entertained at bridge and a dance and banquet will conclude the meeting.

The annual barbecue and outing of the Fresno puddle of San Francisco Blue Goose is scheduled for May 26-27. A buffet dinner will be held Friday night, followed by a ceremonial and initiation. A large delegation from San Francisco plans to attend.

Altman Special Agent for Ohio Farmers in West Va.



J. M. Altman

He will maintain headquarters in Parkersburg.

James M. Altman has been appointed by Ohio Farmers and Ohio Farmers Indemnity as special agent in West Virginia. A native of that state and a graduate of Fairmont College, he has been adjuster for the John C. Wyckoff Company for the past six years. He previously was associated with the New First National Bank of Marietta.

Iowa Pond's Splash June 24

DES MOINES—The Iowa Blue Goose will hold a splash June 24, with sports and bridge in the afternoon and a dinner and dance in the evening.

Forrest Seymour, associate editor of the Des Moines "Register & Tribune," spoke Monday on his recent trip in South America.

Day Goes with Buckeye Union

Robert L. Day has been appointed special agent by the Buckeye Union group in Indiana. He was for five years with American States, and prior to that with the Indiana Lumbermen's group as casualty underwriter. He is associated with G. H. Downey, Indiana state agent.

Helm to Speak in Indiana

Harry G. Helm, advertising manager of Glens Falls, will address the annual meeting of the Indiana Fire Underwriters Association at Lake Wawasee, June 28-29, on "The Most Tongue-Tied Business in the World."

Qualification Law N. J. Topic

The New Jersey Field Club will hold a luncheon meeting in Newark, May 22. Harold Feuerstein will talk on the new agents qualification measure, which now has become a law.

113 Wis. Plant Inspections

G. R. Howitt, director of the Wisconsin defense council, Milwaukee, reports that inspections of 113 plants have been completed in the last two months under the SWIS program. Thomas Larkins, special agent Hartford Fire, is chairman of the committee in charge of the work being done by field men.

McDonald Joins Employers

Hugh McDonald has been named special agent of Employers Fire in Los Angeles. He has been with Travelers Fire since 1929.

Tenn. Field Meetings June 6

NASHVILLE, TENN.—The annual meeting of the Tennessee Fire Underwriters Association, Tennessee Fire Prevention Association and the Tennessee Blue Goose will be held jointly at the Hermitage Hotel here June 6. The Blue Goose will have its annual dinner dance in the evening.

Seven Initiates at Kansas City

KANSAS CITY—Approximately 100 are expected to attend the annual dinner and initiation of the Heart of America pond here May 22. Candidates for initiation are: O. J. Cope, Western Adjustment; L. I. Fisher, manager Travelers Fire; Floyd Harding, Western Adjustment; William Gardner, chief of the Kansas City Fire Patrol; A. V. Ren-

wick, state agent of the Boston; L. E. Wilkins, vice-president Kansas City F. & M., and Glenn Matthews, publisher of "The Insurance Magazine."

Breckon to Speak in Portland

John T. Breckon, assistant director of the Business Development Office, San Francisco, will address a meeting of the Oregon division of the Special Agents Association of the Pacific Northwest in Portland June 5. He will discuss public relations activities and offer suggestions for the field men's participation in the work.

Advance Wis. Field Meetings

The Wisconsin field meetings have been advanced from June 19-20 to June 5-6. The Blue Goose will meet at the Hotel Pfister, Milwaukee, the evening of June 5, for initiation, annual meeting, buffet supper and smoker. On June 6 the Wisconsin Fire Underwriters Association and Wisconsin Insurance Club will hold their individual annual meetings at the Ozaukee Country Club, north of the city. After a joint luncheon, the afternoon will be given over to sports events, with a buffet dinner in the evening.

Mo. Field Meeting June 22

The annual meeting of the Missouri Fire Underwriters Association will be held at the Missouri hotel, Jefferson City, June 22.

Form Minn. Speaker Bureau

MINNEAPOLIS—A group of Minnesota field men has been organized as the Fieldmen's Speakers Bureau, with Frank S. Sather, St. Paul F. & M. as chairman, to speak before agents and civic groups.

Different groups have been assigned to speak on policies or forms, rule book, etc., marine, losses, farm and hail, engineering, fire prevention, public relations (for mixed groups) and agents' associations.

Chairmen of committees who will plan the annual meeting of the Indiana Fire Underwriters Association June 28-29 at Lake Wawasee are J. A. Bawden, Springfield F. & M., and R. O. Hudler, Aetna, general chairmen; transportation, G. J. Daseke, Phoenix of Hartford; tickets, L. W. Swisher, Norwich Union; golf, F. E. Dukes, Fire Association, and R. L. Dubois, North British; baseball, G. R. Pritchett, American of Newark; horse-shoes, G. L. Heinz, Springfield; bridge, G. W. Mercier, Hanover, and D. D. Fitzgerald, Commercial Union.

The Wichita Blue Goose has elected Mrs. R. B. Lathan president, succeeding Mrs. E. P. Janousek; Mrs. R. J. Noble, to vice-president and Mrs. C. W. Price, secretary-treasurer.

North America Men Give Blood

Five members of the North America companies' head office staff have become members of the Gallon Club of the American Red Cross, each having made at least eight donations to the blood bank. The new members include Benjamin Rush, Jr., vice-president, Indemnity of North America; R. G. Os-good, fire secretary, North America; E. Perry Stevenson, War Damage Corporation department; G. C. Dyson, fire statistician, and R. R. Hannold, fire underwriter.

Frank O. Claffey, co-owner of the League, Duvall & Powell agency, Augusta, Ga., has sold his interest to W. J. Kelly.

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More Assured on Books Despite Premium Drop

Prospects for New Car Replacements Are Not Bright

Although few companies have been able to hold up their automobile premium incomes to pre-war levels, the business is in a fairly healthy condition as almost all companies are writing more new policies and are experiencing fewer cancellations. Assured are attracted to the lower rates and of course war conditions have provoked more people to take out protection. People are making more money, the value of second hand cars is high, replacement costs are heavy and the possibility of loss is greater.

People Are Claim Conscious

People are becoming increasingly claim conscious. Hence if anyone feels that he can justify his claim he will make one. There are a large number of people that are not insured but that number is decreasing. Medical payment insurance has been pushed strenuously but companies find that only about 25% of their daily reports show that additional coverage. That is probably the easiest way for an agent to approach automobile owners not on their books. It is a wedge that can be used very effectively.

So far as physical damage is concerned, companies are becoming somewhat alarmed over the results on actual value policies. Values are not stabilized and where a person can prove that his automobile is more valuable today than it ever was, even though it comes from the vintage of three or four years ago, the possibilities for claim difficulties are apparent.

Possible Used Car Famine

Most observers predict that there will be a used car famine and it cannot be avoided because wartime uses are increasing and there is no telling when the war will end. Even if peace comes soon there will be extensive military needs for automobiles abroad. Even when all hostilities cease it will take a long time to convert automobile factories to normal operations. A number of these will be interested in manufacturing airplanes and parts which may retard their getting back to full time automobile production. It is not expected that the production schedule akin to 1941 therefore cannot be attained for a long time after peace has been restored.

It is not likely that any changes will be made in models for some time. Auto-

mobile manufacturers will not care to take the time to bring out new lines until their normal machinery is running. There may be some minor modifications but not many. Labor and material costs will be higher and hence it is likely that the prices of new cars will be higher than they were. Some designers have been at work on blueprints for new cars but there can be no actual work for a long time. A number of changes were made in the 1942 models. They were not radical and they undoubtedly will be used as the standard. It is predicted that important structural and body changes cannot be made until at least two years after the normal output is resumed.

Immense Cumulative Need

Those in the business call attention to the immense cumulative need for automobiles, owing to the fact that no new cars or very few are going into civilian use, ranging from 10 million to 15 million. The normal annual demand is 3,500,000. The best estimates indicate that there will be an average annual production of 4,500,000 cars. One authority figures that the war will end in 1945 and therefore a five year record ending in 1950 would be 22,500,000 exceeding by 20% the largest previous five years. Registrations, this authority states, may reach 30 million at the end of 1950.

By that time almost all the old cars will go to the junk pile. Those that have looked into the future fail to see how an acute shortage of cars can be prevented. The situation calls for replacement of practically all cars now being used. That will mean at least five years after full time production is resumed.

Production Will Move Slowly

The best authorities seem to agree that automobile manufacturers will have to move along slowly until a normal annual demand together with recurring shortages can be met. Therefore, it means that thousands of people hoping to buy new cars after peace may be disappointed for some time.

Insurance companies will therefore gauge their operations largely on what the automobile industry can do. There will be no need for them to be hasty because the end of the war is unpredictable and the time that factories can get into normal production cannot be foretold. No one wants to see a huge buying scramble that will increase prices way beyond normal and it would be unfortunate to crowd the manufacturer beyond natural bounds.

Newsprint Shortage Hampers Printing of Statement 'Ads'

NEW YORK—The newsprint shortage has hampered the publication of annual statement advertisements of many companies. In ordinary times the newspapers are delighted to sell as much space as an advertiser wants to buy but this year many of the dailies have had to delay publication and ask customers to take less space. In the case of one of the largest companies the "New York Times" had to hold off publication for 10 days and even then was able to give only 560 agate lines of space, considerably smaller than the amount the company wanted.

The requests of many papers that advertisers use less space and put their messages into smaller type has created a problem for insurance companies with their annual statements. In order

to get into even a large space the amount of text and tabular matter that an annual statement advertisement usually includes it is necessary to hold the type sizes to modest dimensions. To reduce the size still further makes for difficulty in reading. Also, "fine type" is something which insurance people would just as soon not have coupled in the public mind with insurance.

Broad Form Recommendation

In line with the statement of policy adopted last week by the permanent Council of American Associations of Commerce & Industry a recommendation will be made this week to the Inter-American Development Commission that insurers in any American country be permitted to operate in each of the other western hemisphere nations using simplified broad policies to cover all risks of importers and exporters doing business between these countries.

Use FBI crime reports in selling burglary insurance. Write for samples of "Why You Need Burglary Insurance Protection." National Underwriter, 175 W. Jackson Blvd., Chicago 4, Ill.

Accountants Eye Questions of Expense Allocation

NEW YORK—Whether interest paid out on money received from the Missouri impounded premium fund should be regarded as an underwriting or an investment expense was one of the questions considered at the meeting of the Insurance Accountants Association. Most of those present felt that it should be considered an underwriting expense but a strong argument was made for treating it as an investment expense, on the ground that the interest paid covering the period during which the companies held their respective shares of the fund before returning it represented a reduction from the interest that otherwise would have been earned on invested funds. About \$200,000 in interest was involved for all companies.

Another question on which there was a division of opinion was the allocation of salaries and expenses of loss departments. It appeared that with some exceptions the U. S. branches of British fire companies felt that loss department salaries and expenses should be charged to adjustment expense whereas the American companies in general charge loss department salaries to the general salary account and charge other expenses to the respective classifications without regard to specific allocation to loss adjustment expense. Thus, rent expenses incurred on account of the loss department would be lumped in with general rent expenses, postage with general postage expenses, etc.

D. A. Wadhams, 64, of the marine cargo department of Johnson & Higgins, died at Mt. Vernon, N. Y., Hospital. Formerly with Albert Wilcox & Co., he joined Johnson & Higgins in 1924.

NEW YORK

N. Y. BROKERS ELECT

The Insurance Brokers Association of New York at its annual meeting elected W. A. Bours of Stewart, Hencken & Will; Arne Foss of Frank Hall & Co.; John C. Griswold of F. S. James & Co.; H. H. Livingston of Lukens, Savage & Washburn, and C. V. Riker of Riker & Lynch directors for 3-year terms.

The association's directors recommended to fire companies, rating organizations and the insurance department that all fire policies affected by the recent rate reduction in New York be extended for a period of time purchasable by the amount of net savings involved. This is similar to the request being made by the New York State Association of Local Agents.

JOINS "WEEKLY UNDERWRITER"

Robert L. Barbour, publicity assistant in the home office of Mutual Life, has been appointed vice-president of the Underwriter Printing & Publishing Co., publishers of the "Weekly Underwriter" and several other insurance services. Mr. Barbour, son of R. P. Barbour, U.S. manager of Northern of England, entered insurance in New York City in 1933. In 1941 he was named associate editor of the "Insurance Field," and the following year was transferred to the magazine's New York City office as associate editor and executive representative. In October, 1942, he joined Mutual Life.

INSTITUTE EXAMINATIONS

Beginning May 15 and continuing for 10 days the Insurance Institute of America will conduct countrywide examinations for its class and correspondence course students. Groups will be taking these examinations from the Insurance Library Association, Atlanta; Chicago Study Club and Kemper Study Clubs, Chicago; American Surety group,

Cincinnati; Insurance Board of Cleveland; Farm Bureau Study Club, Columbus; Insurance Society of New York; Fire Underwriters Association of the Pacific; Insurance Institute of Vancouver, and Insurance Institute of Winnipeg. There will be correspondence course students sitting individually in 27 states, District of Columbia, Cuba and Panama.

UNITED JEWISH APPEAL DINNER

The annual dinner in New York of the general and life insurance divisions of the United Jewish Appeal was the most successful event of its kind. Milton Berson, general insurance, and B. D. Salinger, general agent Mutual Benefit Life, are chairmen of the divisions. Judge Morris Rothenberg, national co-chairman of the Zionist Organization of America, was speaker.

COMPANIES

Reliable Fire Completes Doubling of Capital

Stockholders of Reliable Fire have approved the increase in capital stock to \$500,000, to be effected by transfer of \$250,000 from surplus. The number of shares was increased to 25,000 at the same par value of \$20 per share. The surplus amounted to \$781,337 on Jan. 1. The change was proposed to establish a better proportion of surplus to capital since surplus was more than three times the capital item, and to place the company in a better position to meet new and changing conditions following the war.

Harmony Now Prevails in Northeastern's Directorate

On May 5 the conflict between the Babson group and Northeastern of Hartford was satisfactorily cleared up. Four resignations from the present board were accepted, and the following elected to fill the vacancies: D. G. W. Hollister, president of Babson's

LITOW AND HAYMAN SEPARATE

Abraham B. Litow has sold his interest in the Joseph Rice & Co. adjusting firm in Chicago to his partner B. I. Hayman, and will continue in general law practice at 188 West Randolph street. Mr. Hayman now is the sole owner of this old adjusting office. The firm handles casualty claims and specializes on taxicab, long haul, workmen's compensation and general public liability, including comprehensive coverages. Mr. Hayman is celebrating this month his 25th anniversary in the business.

RIRIE & LANGE TAKE JERSEY

Ririe & Lange, supervising agent members of the Chicago Board, has been appointed agent for the Jersey of New York for fire, automobile and marine coverages. This office now represents for fire lines Newark Fire, Reliance of Pa., Jersey and Anchor, and is sole agent for Capital Fire of New York. For casualty lines it represents Globe Indemnity, American Employers, General Casualty and American Casualty; for marine, General of Seattle, Jersey, Newark Fire, Reliance, Aetna Fire, Phoenix of Conn., and Citizens.

ADJUSTERS ELECT

The Adjusters Association of Chicago at its annual meeting elected Martin J. Powers, independent adjuster, president;

Statistical Organization; Leonard Spangenberg, vice-president of that organization; H. C. Baldwin, insurance expert of Babson's Reports, and W. L. Less II, member of the stock exchange firm of D. H. Ellis & Co. Representatives were elected to the executive and finance committees, and the Babson group was provided with a list of stockholders and all other statistics desired. Suits have been withdrawn, and all interests are now working together in harmony.

AS SEEN FROM CHICAGO

E. L. Powers, Underwriters Adjusting, vice-president; R. J. Crokin, Wagner & Glidden, secretary; David S. Kerwin of R. M. Kerwin & Son, treasurer. The organization voted to hold its golf party but did not set a time or place. William Colford of Toplis & Harding is chairman of the committee in charge.

PROF. BEROLZHEIMER TO SPEAK

Howard Berolzheimer, professor of finance, Northwestern University, will address a special meeting of the Insurance Brokers Association of Illinois in the Chicago Board auditorium the afternoon of May 23.

FEDERAL RESERVE IN EXCHANGE

The Federal Reserve Bank of Chicago has taken over most of the fourth floor of the Insurance Exchange Annex for its bond department and will occupy the space near the end of May. Units will be moved from the Federal Reserve building, 120 South LaSalle street building and other locations. The space is being sub-let from the old Postal Telegraph Company, which has its main operating station in Chicago on the third floor. With this addition the annex is more than 95% occupied and the north building over 91%.

1943 COOK COUNTY FIGURES

Total fire, tornado and sprinkler leakage premiums in Cook County in 1943, as reported to the Chicago Board, were \$23,009,218 for member companies, compared with \$21,748,390 in 1942. The group companies had total writings of \$21,105,791, against \$19,781,755, and individual insurers \$1,903,427 against \$1,966,635. The premiums for the groups and then for the individual companies for the two years are shown herewith:

	1942	1943
Automobile	\$ 376,652	\$ 410,800
Aetna Fire	858,622	961,459
Agricultural	145,791	148,961
American, N. J.	416,569	485,506
America Fore	1,196,278	1,190,248

	1942	1943
Atlas	143,068	176,638
Boston	91,932	79,717
Caledonian	116,277	115,097
Century	38,597	41,492
Commercial Union	362,744	403,788
Corroon & Reynolds	437,359	502,263
Cram & Forster	746,620	593,838
Dubique	233,251	270,456
Fire Association	305,947	301,502
Fireman's Fund	457,933	447,018
Globe Falls	302,142	337,716
Globe & Rutgers	128,849	160,574
Great American	467,440	491,140
Hanover	154,131	193,797
Hartford Fire	841,405	833,114
Home	1,565,193	1,838,662
London	228,116	287,071
London & Lancashire	572,315	569,589
Firemen's	869,528	977,554
Merchants, N. Y.	203,136	200,430
Messier	246,501	215,488
Millers National	188,243	111,051
National Fire	697,227	728,900
National Union	200,107	187,234
New Hampshire	97,904	101,048
North America	888,409	854,420
No. Brit. & Mercantile	891,631	892,070
Northern, Eng.	146,565	161,852
Norwich Union	143,227	189,820
Pearl	296,389	331,785
Phoenix of Hartford	716,966	797,393
Phoenix of London	503,948	526,087
Providence Washington	181,616	204,087
Royal Exchange	149,316	168,734
Royal Liverpool	991,885	1,087,931
St. Paul	403,601	436,912
Scottish Union	258,438	285,653
Springfield	232,644	243,522
Sun	574,974	577,883
Travelers	244,570	209,911
Yorkshire	323,082	393,602
	154,593	221,265
Total	\$19,781,755	\$21,205,991

INDIVIDUAL COMPANIES

American Fire, Tex.	1,003	10,057
Associated F. & M.	16,743	18,015
Buffalo	62,446	50,165
Camden	114,670	113,779
Eagle Star	110,273	113,479
Emeco	1,100	5,595
Employers Fire	108,162	128,542
Excelsior	8,461	8,461
Factory Association	332,521	167,924
Farmers, Pa.	42,201	35,583
Federal, N. J.	36,352	29,907
Fidelity & Guaranty	275,487	305,510
Kansas City F. & M.	3,541	2,223
Merchants, Colo.	11,459	10,345
Northern, N. Y.	122,569	127,533
Ohio Farmers	16,118	21,040
Pacific National	145,543	135,782
Paramount Fire	114,136	121,781
Pioneer	49,138	29,380
Reliable	78,506	83,906
Republic, Texas	60,174	51,532
Rhode Island	68,630	124,132
Security, Iowa	81,298	81,158
Standard, N. J.	47,943	49,546
St. Louis F. & M.	15,576	11,466
Trinity Universal	10,930	14,365
Union, Canton	10,930	13,190
Western, Kan.	16,102	23,102
Total	\$ 1,966,635	\$ 1,963,427
Grand Total	\$21,748,390	\$23,009,218

Fire Marshals' Section Elects

Leonard Lund, deputy insurance commissioner and fire marshal of Minnesota, is the new chairman of the fire marshals' section of the National Fire Protection Association named at the annual meeting in Philadelphia. The vice-chairman is John Craig, Illinois fire marshal, and secretary, Arnold Penner, acting fire marshal of Michigan.

R. A. Moore Succeeds Hampton

R. A. Moore has been appointed special agent for Great American in West Virginia succeeding G. M. Hampton, who has joined the John H. Hampton agency at Little Rock, which his father operates. Mr. Moore's headquarters will be at 625 Avery street, Parkersburg.

Thomas McGee, president of the Thos. McGee & Sons agency in Kansas City, and Mrs. McGee celebrated their 57th wedding anniversary with 33 sons, daughters, grandchildren and great-grandchildren at the McGee home. Mr. McGee is 85. Associated with him in the agency are Joseph J. McGee, Frank McGee, and Louis B. McGee, the latter a lieutenant commander in the coast guard, who flew home for the celebration.

SUPERVISING SAFETY ENGINEER

This man who is 38 has had 15 years as safety engineer and supervisor with two insurance companies and two years industrial safety experience. Very good personality and definite managerial ability.

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MANAGER

92 William Street, New York

Losses paid exceed Two Hundred and Fifty Million Dollars

Agency Chiefs Scan Population Trends

(CONTINUED FROM PAGE 5)

News, Oklahoma City, Portland, Me., Richmond, Sacramento, Salt Lake City, San Francisco, San Jose, Savannah, Seattle, Spokane, Stockton, Calif., Tacoma, Wash., Wilmington, Del.

Class A-3—those which grew at above-average rates during the war, with moderate increase in the preceding period and are believed to have good prospects for retaining wartime population growth: Birmingham, Ala., Bridgeport, Conn., Canton, Ohio, Hartford-New Britain, Conn., Pueblo, Colo., St. Louis, Springfield, Ohio.

Class B—areas which have grown most rapidly since the war started but at a substantially lower relative rate in the preceding decade, and whose wartime growth is expected, therefore, to be transient unless special effort is made after the war to convert wartime facilities to peacetime pursuits: Akron, Dayton, Ohio, El Paso, Erie, Pa., Kansas City, Mo.-Kansas City, Kans., Louisville, Portland, Ore., Rockford, Ill., Tulsa, Waco, Wichita.

Class C-1—areas which lost population or increased relatively little during the war but which grew at above-average rates between 1930 and 1940 and in most cases between 1920 and 1930 and which are therefore believed to have excellent postwar prospects of coming back: Asheville, N. C., Austin, Tex., Binghamton, N. Y., Cedar Rapids, Charlotte, N. C., Chattanooga, Davenport-Rock Island-Moline, Des Moines, Fresno, Calif., Kalamazoo, Knoxville, Lansing, Minneapolis-St. Paul, Peoria, Shreveport, Springfield, Mo., Waterloo, Ia., Winston-Salem, N. C.

"Fair" Come-Back Outlook

Class C-2—areas which lost population or increased relatively little during the war and between 1930 and 1940, but which grew at relatively rapid rates between 1920 and 1930 and which therefore are believed to have fair prospects of coming back after the war: Atlantic City, Chicago, Cleveland, Decatur, Ill., Flint, Mich., Fort Wayne, Grand Rapids, Huntington, W. Va.-Ashland, Ky., Milwaukee, New York City, Roanoke, South Bend, Toledo, Topeka, Youngstown.

Class D—areas which lost population or grew relatively little during the war and in each of the two preceding decades and which therefore cannot be expected to grow rapidly or even to recoup their losses in the postwar period: Albany-Schenectady-Troy, N. Y., Allentown-Bethlehem-Easton, Pa., Altoona, Pa., Boston, Buffalo, Duluth, Fall River-New Bedford, Mass., Harrisburg, Johnstown, Pa., Lancaster, Pa., Lincoln, Nebr., Manchester, N. H., New Haven, Omaha-Council Bluffs, Philadelphia, Pittsburgh, Providence, Racine-Kenosha, Wis., Reading, Pa., Rochester, N. Y., Saginaw-Bay City, Mich., St. Joseph, Mo., Scranton-Wilkes-Barre, Sioux City, Springfield, Ill., Springfield-Holyoke, Mass., Syracuse, Terre Haute, Ind., Trenton, Utica-Rome, N. Y., Wheeling, Worcester, Mass., York, Pa.

H. L. Coleman, local agent of Marshall, Mich., has been elected mayor there.

INSURANCE FIELD REPRESENTATIVE

We have an opening for a high-class experienced fire and casualty representative to travel northeastern Ind. This position offers a splendid opportunity to the right man.

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Indianapolis, Ind.

WANTED ADJUSTER

Experienced in the handling of automobile losses by Chicago branch office of an established company. Permanent position. Our employees know of this ad. In reply state age, experience and draft status. Address W-2, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Ill.

AGENCY WANTED

In middle west, preferably Illinois. Will consider outright purchase or one-half interest. Replies confidential. Address W-1, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Ill.

Commissioners Map Chicago Meeting

(CONTINUED FROM PAGE 5)

panies at a cocktail party and banquet. The next morning an executive session was held.

Harrington announced a number of committee changes. Garrison of California is now chairman of the accident and health committee replacing Jones of Illinois who has retired from office. Vice-chairman of the casualty and surety committee is now Parker of Georgia for Gremillion, former Louisiana commissioner. Crabbe of Ohio is chairman of the fire and marine committee replacing the late John Sharp Williams, III of Mississippi. Apodaca of New Mexico becomes vice-chairman of the life committee. Viehmann of Indiana becomes chairman of the subcommittee of the social security committee replacing Jones.

Real Estate Committee

It was decided to change the name of the real estate appraisals and appraisal forms committee to real estate committee.

Reports were made on each of the six zone meetings that has been held this year. Harrington attended all of the meetings except the one at Lansing and he also gave his observations on these sessions.

Lockhart of Texas said that zone 5 runs from the Gulf of Mexico to Canada and he believes that the states should be regrouped so that those with a community of interest will be together.

Harrington asserted that basic rating principles for workmen's compensation insurance should be adopted in every state. A program for reporting expenses is necessary especially in connection with the rating plans involving a graduation of expense by size of risk. The commissioners should have at hand more data to justify the element of the rate that is pitched for expenses, he declared.

The subject of multiple line writing is receiving much comment and is a lively subject, he declared. The states should not stand in the way of progress. He cited as a bad example of state law the Massachusetts statute which prevents the writing of the personal property floater in that state.

Lockhart of Texas remarked that the commissioners would do well to study the new Texas standard fire policy.

Parkinson Tells of Entertainment

Parkinson, acting Illinois director, asked for specific advice on the program for the convention week so that the printed program may be prepared and he also inquired how much entertainment the commissioners desired. He said that there is a committee of Illinois company executives and also the agents, brokers and Chicago Bar Association desire to take a hand in the entertainment. Mr. Parkinson was told that the Illinois committee should not incur expenses beyond what the \$10 registration fee will provide.

Harrington said there have cropped up some insurance organizations that have titles embracing the words "government employees" or "federal employees" and he said that these are misleading. He said the commissioners should look into the question of the house confinement clause in accident and health policies.

In the accident and health field, Harrington said that companies that are the subject of the most numerous complaints on claims are the ones that have the lowest loss ratios. He remarked that the zone 4 commissioners desired an investigation to be made of low accident and health loss ratios.

Harrington referred to the investigation that is being conducted by Professor Ralph H. Blanchard of Columbia University on accident and health experience for the social security board. He said that companies are being bargained with special inquiry blanks. It is



The Royal Exchange Fireman is constantly alert against disaster and symbolizes the broad, strong coverage of Royal Exchange Policies.

The Royal Exchange Fireman, in safeguarding the manufacture of materials which go into tanks, planes and ships, contributes a vital service as a soldier of modern warfare. While many of the members of the staff of the Royal Exchange are fighting for the United Nations by sea, by land, and by air throughout the world, the Royal Exchange Fireman, on the home front, backs their efforts by protecting the great resources of their nations.

The Royal Exchange Companies have consistently maintained their record for prompt and gratifying service to Agents and Assureds.

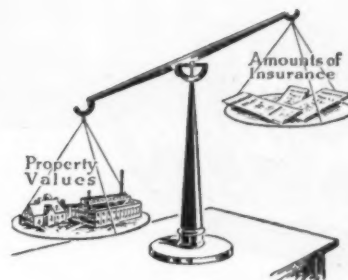
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unfortunate, he said, that the companies are being asked to supply information that may be used against them.

C. O. Pauley, secretary of Great Northern Life, declared that the Blanchard investigation grew out of the report that was made by the Health & Accident Underwriters Conference on the number of policies in force. The social security board questioned the correctness of those figures. Mr. Blanchard, according to Mr. Pauley, promised that his would be a factual report. The companies have cooperated about 95%, he said, and he expressed the belief that the final report will show better results than was claimed by the industry.

Walter A. Robinson of Ohio reported as chairman of the blanks committee.

Lockhart of Texas brought up the matter of trying to get Treasury approval for the use of Schedule P reserves in the casualty field for income tax purposes rather than case estimate reserves. Mr. Robinson stated that this matter had been discussed thoroughly and the blanks committee concluded that it would be very difficult to get a tax solution. The primary purpose of Schedule P is to safeguard company solvency.

Lockhart expressed the belief that the commissioners in June should memorialize the Treasury department to

recognize Schedule P. The companies, he said, should be permitted to lay by surplus in the workmen's compensation account in these days because of the very strong probability that an adverse experience will develop after the war. He said that in Texas the department has refrained from cutting rates as deeply as it might, in order to help the companies create such a surplus but nothing is accomplished by doing so if the Treasury department takes it all away.

Harrington declared that Schedule P is distorted, "because we have been a party to crazy prize adjustment plans without any data." He contended that Schedule P "doesn't represent anything" and asked how the commissioners can ask the Treasury department to accept it.

The fundamental question, he said, is how the income tax is siphoning off dollars that should be reserved for times of adversity.

The final decision was to appoint a subcommittee on Schedule P consisting of Johnson, Minnesota, chairman; Parkinson, Illinois; Forbes, Michigan, and Robinson, ex officio. There is also a subcommittee of the blanks committee on Schedule P.

At the suggestion of McCormack of Tennessee, chairman of the executive committee, a study of surety experience

was put on the agenda of the casualty and surety committee for June.

Harrington contended that the Bailey-Van Nuys bill in Congress is inadequate to prevent federal interference with state regulation.

Graves of Arkansas declared that the federal legislation committee is taking a stand-by position on that bill until the Supreme Court renders its decision in the commerce cases.

Harrington said the commissioners should study the history of the Interstate Underwriters Board to determine just what part the association did play in its organization. Conflicting statements in this regard were made before the Senate judiciary committee, he recalled.

Harrington said the commissioners should review the uniform definition of marine writing powers. There have been many exceptions to that instrument and perhaps it should be scrapped. He mentioned the resignation of North America from the I.M.U.A. that is pending.

Harrington remarked that an investigation is in order of the insurance setup of the Farm Security Administration under which insurers are handling business on a non-admitted basis in some states.

Cullen of New York stated that the valuation of securities committee will probably recommend a somewhat more stringent test for determining what securities are amply secured and hence amortizable.

Scheufler of Missouri said he desired to have consideration given to the values of income bonds of municipalities and other political subdivisions.

At the banquet Walter W. Head, president of General American Life, spoke graciously. He remarked that there is \$21 billion currency in circulation today. There was collected in 1943 more in taxes than the entire national income in 1932. The national debt is \$187 billion. The estimated national income for this year is \$150 billion. Mr. Head said that the national debt can be serviced with considerably less national income than that. The great danger is the tendency of politicians to continue and increase non-war expenditures.

Scheufler served as toastmaster and performed in witty style.

Harry D. McBride, St. Louis director of public safety, spoke for the mayor. The various commissioners were introduced. Joseph Holland, city councillor of St. Louis and a former chief deputy of the Missouri insurance department, gave a humorous talk and Harrington and McCormack gave brief messages.

Seek Qualification, Responsibility Laws

(CONTINUED FROM PAGE 7)

learning more about insurance. Many of them will have had 100 hours within a few weeks, he said, while the majority of local insurance men had had far less. He urged carrying this training into smaller communities and expressed the hope that the 100 hour requirements might be the basis upon which an agency qualification law could be drafted for Oklahoma.

In a short address Commissioner Jess G. Read revealed that in 1943 there had been 21,357 licenses issued to 7,201 individual agents, averaging three licenses each. He said this is too many agents. He advocated securing reasonably understandable, enforceable qualification regulations, to which he believes the legislature would give favorable consideration. He said his department collected \$2,289,465 in taxes in 1943, more than any other state department. The insurance department was allowed only \$22,590 for operating expense, less than 1%.

Mr. Read contended that if the Bailey-Van Nuys bill should fail to pass and insurance should be classified as commerce, then "we will have to worry not only because of federal and state super-

Hail Adjusters to Confer in St. Paul; Season Late

ST. PAUL—Hail adjusters from six northwest states and probably Canada will gather here June 6 for a two-day conference with company representatives. About 200 are expected to attend, coming from Minnesota, the two Dakotas, Iowa, Nebraska and Montana and possibly from Canada.

E. R. Smith, hail manager of Home, Chicago, is arranging the program and will be chairman. Making the local arrangements is a committee including George Hansen, Rain & Hail Bureau; W. J. Cassidy, Home; R. J. Jacobson, Northwestern F. & M.; R. W. White, Midland General Agency; J. N. Nearhood, St. Paul F. & M.; E. R. Allbert, America Fore, and M. C. Formo, Great American.

Continued wet weather has slowed down hail writing, as farmers were undecided how much land they would crop. Also in some cases where farmers had placed their hail insurance they notified the companies they will have to cut down the acreage because of the late season. It is likely that losses will come later than usual because of the late season.

The Red River valley is pretty well planted and seeding is under way in North Dakota, but much of southern and central Minnesota has been too wet, with the result that the bulk of the hail business, usually written by this time, is coming in late.

Whitchurch in Northern Ill.

Special Agent Robert H. Whitchurch who has been transferred from South Bend, Ind., will handle part of the northern Illinois field for American, with headquarters at Rockford. This territory was formerly supervised by Waldemar H. Ogren, who has entered military service. Mr. Whitchurch traveled in Illinois for American for several years prior to 1941.

vision but the combined federal and state rule might end in federal supervision alone. So far states have done a finer job with insurance than the federal government has in some of its undertakings. In Oklahoma we do not want federal supervision or regulation. Neither do we want the state to invade further the insurance field—whether it be in the form of a hail fund or under any other name or disguise."

C. H. Kelly Talks

Clarence H. Kelly, state agent for Home in Oklahoma, said it is necessary to tell the men in American industry that if free enterprise is to survive they must realize that the government is going to play a more important part in our national economy. They must understand government and they must take an active part in it, he said.

M. B. Breeding, Oklahoma City, the incoming president, reported the association in a sound financial condition with an increase of membership from 219 last June to 358 today, a gain of 139 members. He announced two major activities to which the executive committee has given considerable attention, the enactment of a financial responsibility law patterned after the national standard; and the enactment of an agents' licensing law.

Averell Broughton, public relations counsel of the National association, reported that the public relations program of the N.A.I.A. is moving steadily ahead. It has done much to unify the strength of the National association, he said.

Miss Evelyn P. Fallon, secretary to Stewart McDonald, chairman and president of Maryland Casualty, has been elected president of the Insurance Women of Maryland. Other officers elected are: Clara A. MacCubbin and Katherine N. Sarles, vice-presidents; Lena Rutten-cutter and Barbara M. Fankhanel, secretaries, and Mario A. McCann, treasurer.



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Newspaper, Radio Fire Prevention Winners Named

NEW YORK—The Burlington (Ia.) "Hawk-Eye Gazette" and radio station KMTR of Hollywood, Cal., are winners of the National Board's gold medals in the competition for outstanding public service in the field of fire prevention during 1943. Presentation of the medals will feature a luncheon following the board's annual business meeting at the Waldorf-Astoria Hotel here May 25.

Judges Are Named

Judges were C. B. Larrabee, president Printers' Ink Publishing Co.; Fred Sheppard, engineer manager of the International Association of Fire Chiefs, and Paul L. Hardesty, chairman executive committee National Fire Waste Council and head of the U. S. Chamber of Commerce insurance section. The "Hawk-Eye Gazette" stressed the importance of fire prevention throughout the year in news stories, feature articles and editorials. KMTR promoted fire safety by sponsoring broadcasts with the Los Angeles fire department, local civilian defense agencies and agencies pro-

moting the national observance of Fire Prevention Week.

Honorable mentions were awarded to the "Kalamazoo (Mich.) Gazette," Paterson, N. J., "Morning Call," "The Coos Bay Times," Marshfield, Ore.; "The Pattonsburg (Mo.) Call" and "The Willow Springs (Mo.) News," weeklies, to WEBB, Buffalo; WLS, Chicago, and WRUF, Gainesville, Fla.

Tells How to Prevent and Control Fires in Ducts

The fires originating in or enhanced by air conditioning systems will be largely eliminated when the causes are fully understood, according to John Neal, chief engineer of Underwriters Laboratories, whose paper was read at the northwest fire school in St. Paul. Proper design and maintenance and the use of fire resistive air filters, non-combustible ducts, fire resistive duct linings and insulation, automatic fire shutters in the duct systems to prevent spread of fire, electric eyes smoke detectors coupled with alarm systems and electrically connected to shut down the system when the fire breaks out all will help prevent air conditioning fires. Mr. Neal also suggested screening of intake openings, frequent cleaning of ducts and proper location of intakes well above the floor level which will help prevent accumulations of combustible trash and lint. The insurance people have been watching these fires with growing apprehension.

Vessel Builders Risk Cover to Commercial Market

NEW YORK—The U. S. maritime commission has authorized restoration to the commercial market of a large volume of builders risk insurance on vessels under construction in American shipyards most of which was assumed by the government when the wartime ship construction program started. This action will aid the American marine hull syndicate which has suffered heavy financial losses due to the maritime commission and the WSA. assuming much of the insurance that normally flowed to the syndicate.

Underwriters have provided safety features and shipyard inspection during this period although the commission covered the insurance risk. Last December the post war planning subcommittee on shipping, finance and insurance voted to reconsider its policy on insurance of ships under construction for its account and directed that vessels contracted for under price-minus contracts be protected by builder's risk insurance almost all of which is written by syndicate.

B. K. Ogden in New York

B. K. Ogden, chief maritime commission, insurance division, has gone to New York to confer with underwriters regarding the working out of detailed instructions to carry out the decision to restore to the commercial market a large volume of the builder's risk insurance.

The commission said its action is expected to aid in the rehabilitation of the American Marine Hull Syndicate, which was formed in 1920 at the direction of the merchant marine and fisheries committee of the House.

Under the price-minus contract there is a sliding scale according to which the contractor's profit goes up as costs go down. It is practically the reverse of the cost-plus contract.

\$100,000 Illinois Mill Fire

The Allied Mills milling plant at Taylorville, Ill., was partially destroyed by fire March 14 with loss of around \$100,000. The insurance loss on soy beans is estimated at \$15,000. There was \$125,000 cover on buildings and equipment, and five of 11 units are totally destroyed, the boiler room was seriously damaged, and the warehouse slightly damaged. There is no information on the U. & O. Johnson & Higgins placed the line.

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EDITORIAL COMMENT

Subdividing the Problem to Solve It

Indications are that at the June annual meeting of the insurance commissioners in Chicago little more than a progress report can be expected in connection with the question of multiple writing powers, which currently is assuming almost cosmic proportions in the fire and casualty fields. It is likely that the question will be illuminated and rather closely defined at that time because the very able industry committee has been holding almost weekly meetings on the subject. It is certainly in a position to outline the problem, to set forth in a rather detailed way the objections that have been brought forth and the advantages that are claimed.

That report should provide the industry with a more solid basis for consideration of the question than has heretofore been available.

It seems obvious that neither the industry nor the commissioners are prepared at this time to raze the party walls between the fire and casualty insurance structures. And we believe that so long as it is simply a question of whether or not to make such a radical departure as that, the proposal will merely be the subject of interminable debate. However, if the idea is treated in more specific fashion and with less revolutionary implications it would be possible, we believe, to get sufficiently unanimous agreement to definite changes that would be progressive and would promote economy and efficiency. The so-called kinds of insurance laws of the various states are not carved in granite. They are being amended from time to time and we wonder whether it would not be well to concentrate on certain areas of coverage to determine whether these should be opened to both types of insurer.

The committee indicated that it is not unwilling to consider a subdivision of the problem because in its recent hearing a number of specific questions were posed such as whether both types of insurers should be permitted to handle all types of aviation insurance, all types of automobile insurance, the personal property floater; whether both types of company should be permitted to do a composite business in foreign lands and whether fire insurers should be permitted to take casualty business by way of reinsurance and vice versa.

It seems to us that one field which might be analyzed very closely to determine whether removal of the partitions could not wisely be advocated in all states is automobile. In several eastern states fire insurance companies may not write bodily injury liability and cas-

ualty companies may not write automobile fire, theft and comprehensive. In the southern, middlewestern and coast states a single company may work in the automobile insurance field without restriction.

A number of casualty companies have formed fire insurers only because of the barriers that are erected in these eastern states, and fire insurance companies have formed casualty insurers only to write automobile bodily injury liability. There are still a number of fire companies that do not have casualty affiliates and that are not enthusiastic about entering the casualty business but that are giving serious consideration to the idea of organizing a casualty company to round out their automobile cover. Likewise there are some casualty companies flirting with the idea of forming fire companies only for automobile purposes.

If these restrictions in the automobile field were removed it is likely that quite a number of these special purpose affiliates would be put to sleep and plans for a number of others would be dropped.

That would be something of an economy. Additional companies mean additional examinations, record keeping, directors' meetings and all those time consuming motions that are performed in the secretary's department. Policies could be simplified to some degree if there were but one insurer rather than a combined contract. The work of the supply departments would be simplified and there would be other obvious economies.

This would not constitute any revolutionary change. It is something that has been done for years in most of the states and it would not, we believe, be such an opening up of underwriting vistas as to cause one type of insurer to invade the established precincts of the other in a greedy and perhaps reckless manner. The underwriting view of most companies would not be altered. They would be simply doing through one corporate entity what they have been doing through two or more. Perhaps a number of fire companies might under such a law proceed to develop a business in the B.I. line, but the chances are that sooner or later they would have formed a company for that purpose anyway, and the same will probably be true with respect to casualty companies and automobile comprehensive. There might be a handful of fire companies who want no traffic whatsoever with the automobile third party line that would then feel compelled to handle such business because of the competitive situation and

there might be a few casualty companies that might be driven into the automobile comprehensive line against their desire but such would not be numerous.

There are undoubtedly some objections to such a program that deserve to be considered. There are tax questions involved. There is the effect upon rate making organizations. We are not so much interested in championing this particular change as in indicating our

belief that if the problem is subdivided and the business comes to grips with a definite proposal in connection with which there is already some experience at hand, then there is more likelihood of progressive action being taken in the foreseeable future than if the industry is required to divide itself into the camps of stand-patters and progressives on the big issue of whether to remove the underwriting compartments altogether.

PERSONAL SIDE OF THE BUSINESS

Norman S. White, assistant secretary of Home, visited Maj. C. K. Knox, head of the general agency in Birmingham bearing his name.

Herman L. Ekern, former Wisconsin commissioner, president of Lutheran Brotherhood and widely known insurance attorney, will be granted an LL.D. degree by the University of Wisconsin at its commencement exercises May 27.

Parke A. Cooling, president Indiana Insurance Co., and Mrs. Burnside Smith, widow of the former president of the company, were married in Indianapolis last week. They are now traveling through the east.

Robert T. Sisson, who has successfully carried on the R. S. Sisson & Son agency of Lynn, Mass., started by his father in 1894, is celebrating its golden anniversary this month. Father and son both represented the district in the legislature and Robert T. served for two years as president of the Massachusetts Association of Insurance Agents.

E. W. Trenbath, special agent in Seattle of Norwich Union, is confined to his home on orders of his doctor to take a complete rest for a month. He was taken ill suddenly several weeks ago at Walla Walla while on a field trip and recuperated at a hospital there. He was able to resume his duties after a week. Upon his return to Seattle he underwent a complete physical check-up, following which a month's rest was prescribed.

Donald M. Wood of the Chicago agency of Childs & Wood has just been nominated for second vice-president of the Union League Club of that city.

Jess G. Read of Oklahoma, secretary of the National Association of Insurance Commissioners, was suffering from a digestive upset when he arrived at St. Louis the other day for the executive committee meeting of the National Association of Insurance Commissioners. He left the meeting shortly after it started and entered a hospital for treatment and observation.

Lewis P. Mansfield, who recently resigned as treasurer of Fireman's Fund, has joined John T. Stephenson in forming the investment management firm of Stephenson & Mansfield. Before joining Fireman's Fund about eight years ago he was with the home office of Prudential in Newark.

When **William U. Knight**, veteran Minneapolis fire insurance man, and Mrs. Knight observed their 40th wedding anniversary recently they received an unusual gift from their son-in-law and daughter, Mr. and Mrs. Harry Connaughton, Chicago. The latter by con-

siderable effort rounded up 40 silver dollars, each bearing a date of a different year during the span of the married life of the Knights.

L. C. Petterson, Illinois state agent of Sun, was feted at a dinner attended by his western department office associates on the occasion of his 25th anniversary with Sun. Manager C. W. Ohlsen presided and presented Mr. Petterson with a gift of luggage. Mr. Petterson started as a file boy and served for many years as an examiner. He has been in the Illinois field about nine years.

W. Ross McCain, president of Aetna Fire, has been elected chairman of the Hartford bridge commission to succeed the late Henry H. Conland, publisher of the Hartford "Courant." Mr. McCain is one of the original members of the bridge commission, organized in 1939.

DEATHS

Albert F. Pray, a past president of the Minneapolis Underwriters association and of the Minnesota Association of Insurance Agents, died in Minneapolis. He had been in the insurance business from 1895 until his retirement in 1934.

William D. Strayer, 75, veteran local agent of Hudson, who also was secretary of Farmers Mutual Fire of Black Hawk county for a number of years and an adjuster of Iowa Mutual Tornado, died in a Waterloo hospital from a heart ailment and diabetes after a brief illness.

Urie U. Hiskey, 76, of the Warnock Insurance Agency, Salt Lake City, with which he had been associated for 34 years, died after a lingering illness. He entered the insurance business in 1910 after being in railroad traffic work for a number of years. He had been active in the Methodist church for more than 50 years and was conference treasurer at the time of his death.

Stella Goss Wohlgenuth, widow of E. Jay Wohlgenuth, founder of THE NATIONAL UNDERWRITER, and its president until his death, died at her home, 937 Lexington avenue, Cincinnati, Friday of last week. She had resided in this house for some 50 years. Mrs. Wohlgenuth was born March 19, 1880. Her father was Rev. Dr. Charles Frederick Goss, most eminent divine in his day in Cincinnati. He was for many years pastor of the Avondale Presbyterian Church, now called the First United Church. He was not only a distinguished pulpit orator but a lecturer, writer and after dinner speaker.

Funeral services were conducted from



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this church Monday afternoon, the pastor, Rev. G. Barrett Rich, being in charge. Mrs. Wohlgenuth was prominent in Cincinnati civic, social and philanthropic activities. Her outstanding activity was as president of the Cincinnati Women's Club, serving for two terms. She also was president of the Cincinnati College Club and president of the Smith College Club in Cincinnati. She graduated from Smith College in 1902. At one time she was very active in the Y. W. C. A. A daughter survives, Mrs. John Z. Herschede, who is the wife of the treasurer of The National Underwriter Company. Mrs. Wohlgenuth had been an invalid for some time. Mr. Wohlgenuth died in December, 1938.

Harold E. Smith, 42, engineer for the National Inspection Co. the past 17 years, died at his home in Chicago following a seven months' illness.

Henry Regner, 55, local agent at West Bend, Wis., and district agent there of Northwestern Mutual Life, died from heart disease after several months' illness.

Walter W. Downing, 78, who established a local agency at Auburn, Wash., 35 years ago, died from a heart attack.

William C. Rives, 72, who had been operating a local agency at McKenney, Va., for many years, died there.

IN U. S. WAR SERVICE

Eric C. Gambrell, past president of the Texas Association of Insurance Agents and the Dallas association and member of the Dallas agency of Seay & Hall, has been promoted to major and will continue as commandant of the officer training section of the bomber pilot school at the Fort Worth army airfield.

Lieut. (j.g.) Ambrose B. Kelly, formerly secretary and general manager of American Mutual Reinsurance, who entered the navy supply corps recently, has been assigned to the bureau of supplies and accounts in Washington, working on contract terminations.

James S. Helms, manager of the service office at Topeka, Kan., of Ohio Casualty, is now in the navy. Fred H. Stalin, seven years at Decatur, Ill., for the company, succeeds him at Topeka.

Kenneth L. Hingst, former state agent in Minnesota of American, has completed his training as a lieutenant in the field artillery and is being shipped out.

First Lt. W. G. McKnight, former state agent of Fire Association in Minnesota, has been transferred from Dallas to Camp Claiborne, La.

Donald M. Wood, Jr., of the Childs & Wood agency, author of the casualty

and surety training course of THE NATIONAL UNDERWRITER, was in Chicago on a furlough this week en route to Camp Roberts, Cal. He has been in the army air forces in Texas for about two months and has qualified for the carbine and pistol medals.

Charles J. Komaiko, son of S. B. Komaiko, class one agent of Chicago, who is on active service with the marines in the south Pacific, has been promoted to captain. He enlisted two days after Pearl Harbor and now is connected with the judge advocate's office of the third division.

Maj. Roscoe de Armand, former Knoxville, Tenn., local agent, is now commanding officer in the quartermaster corps at an important supply base in New Guinea. He has traveled 25,000 miles in execution of army assignments since he sailed for foreign service last October.

W. H. Ogren, special agent of American working out of Rockford, Ill., is now in the navy.

James Mollitor, casualty underwriter at Chicago for Maryland Casualty, has been inducted into the army and is training for air corps ground work in Texas.

Donald W. Jackson, local agent of Fairfax, Okla., has been inducted into the army. He sold his agency to George Megee.

Northwestern Mutual Changes

O. Jacobsen has been elected secretary, Alexander Scott, treasurer, and J. W. Pritchett and B. F. Urch, assistant vice-presidents of Northwestern Mutual Fire.

P. J. Brown has been named manager of the New York City department taking the place of H. J. Bergren, who has been elected vice-president in charge of the reinsurance assumed business. Mr. Brown has been with Northwestern 15 years and has been manager of the Chicago office in recent years.

Mr. Jacobsen has been with Northwestern since 1922 and since 1940 has been assistant secretary handling the accounting system for department offices. Mr. Scott started with Northwestern in the auditing department in 1926 and has been assistant secretary since 1936. Mr. Pritchett has been with the company since 1931 and has been underwriting manager since 1941.

Mr. Urch has been with Northwestern since 1934 and since 1941 has been manager of the purchasing and supply department.

Leaders in the field rely on the Accident & Health Policy Analysis Service. Write The A. & H. Bulletins, 420 E. 4th St., Cincinnati 2, Ohio.

Convention Dates

May 18-19, Annual meeting Inland Marine Underwriters Association, Skytop, Pa.

May 18-20, Mississippi Association of Insurance Agents, Jackson, Hotel Heidelberg.

May 19-20, Arkansas Association of Insurance Agents, Hot Springs, Arlington Hotel.

May 22, Wisconsin Agents, War Conference, Milwaukee, Hotel Schroeder.

May 25-26, Kentucky Agents, Louisville, Kentucky Hotel.

May 25, National Board, New York, Waldorf-Astoria.

May 31-June 1, Industrial Insurers Conference, Nashville, National Life & Accident building.

June 14-15, Virginia agents, Roanoke, Hotel Roanoke.

June 20, Wisconsin field men, Milwaukee, Ozaukee Country Club.

June 20-22, Ohio field men, Russell's Point, Beatley hotel.

June 21, Michigan field men, Grand Rapids, Green Ridge Country Club.

June 21-23, National Association of Accident & Health Underwriters, St. Louis, DeSoto Hotel.

June 19-20, Special Libraries Association, Philadelphia, Ben Franklin.

June 19-21, Executive Board, National Association of Insurance Women, Wichita, Allis hotel.

June 20, Insurance Federation of Minnesota, Minneapolis, Radisson hotel.

June 27-28, Bureau of Personal Accident & Health Underwriters, New York City, Pennsylvania hotel.

June 28-29, Indiana field clubs, Lake Wawasee.

Sept. 7, Alabama agents, Montgomery, Jefferson-Davis hotel.

Sept. 7-9, International Association of Insurance Counsel, Chicago, Edgewater Beach Hotel.

Sept. 11-13, Insurance Section, American Bar Association, Chicago, Medinah Temple.

Sept. 11-13, International Claim Association, Chicago, Edgewater Beach Hotel.

Oct. 8-12, National Association of Insurance Agents, Milwaukee, Hotel Schroeder.

North America Report to Employees

The North America companies have got out their annual report to employees in the form of a booklet that carries a message from President John A. Diebold, a list of employees in service, a picturization of what insurance does to achieve freedom from fear, photographs showing typical members of the employee family at their jobs, how the company spent its money, etc. This is the third such report that the company has issued, and the same care, attention and workmanship is displayed in this as in the annual report to the general public.



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Dwindling manpower in the pulp forests has created a SERIOUS PAPER SHORTAGE which demands radical conservation and the elimination of all waste.

The wide spreading adoption of the new standard policy presents a critical situation—a dilemma—but once again agents have stepped up to the line and exhibited not only a willingness but a desire to save tons of paper by attaching the approved conversion endorsement to existing stocks of old form contracts.

Yes, Uncle Sam can always depend on the insurance fraternity to do its full share of conservation—and wholeheartedly help in every phase of the War Effort.

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Make Comprehensive Completely So, Sawyer Advises

At K. C. Congress He Suggests Elimination of Option to Exclude

KANSAS CITY — The business should not forget the original goal of the comprehensive liability insurance, E. W. Sawyer, attorney for the National Bureau of Casualty & Surety Underwriters, said in his talk at the sales congress here Wednesday sponsored by the Kansas City Casualty & Surety Underwriters Association. This was, he said, to include everything not specifically excluded instead of, as formerly, covering only hazards specifically set forth in the policy.

While the plan has gone a long way toward eliminating separate covers, it has not yet gone far enough, Mr. Sawyer asserted. He believes the business can immediately eliminate the option to exclude contractual liability, for example.

Contractual Liability

The coverage of contractual liability afforded by the comprehensive policy is not blanket or complete, he said, but is the minimum which any business should consider and is adequate for many risks. When a survey is made, any need for broader contractual liability is or should be disclosed, and the policy can then be amended to afford the needed coverage, either on an individual contract basis or on an automatic basis tailored to fit the needs of the risk. Or, he said, assured could elect not to be insured against hazards broader than those covered by the policy.

Assumption of liability by contract requires an affirmative act and is therefore within control of insured. It is not a great hardship to require insured to purchase insurance separately for his unusual contractual assumptions of liability, Mr. Sawyer said.

The situation with products and property damage liability is different because every insured is faced with losses from these sources. No insured would elect to exclude these hazards if the methods of rating them were sufficiently refined always to produce premiums commensurate with the value of the protection, Mr. Sawyer said. In most classes of liability insurance other than automobile there has been no broad distribution of property damage liability insurance. It has been bought rather than sold, and the same is true of products liability cover. They have been purchased for the most part by insured who expected losses, he said. Consequently experience reflects the results of such adverse selection and the business has little or no basis other than judgment on which to make rates for risks having no reason to expect losses.

No Definite Plan

In the three years that comprehensive liability cover has been in general use there has been little effort to improve the plan from the coverage standpoint, Mr. Sawyer said. The job has been to put the current plan into operation. Underwriters and actuaries have given considerable thought to the optional covers not only because they detract from the value of the protection but because they entail an inordinate amount of trouble and work, but no plan

Eglof Explains "Pay Dirt" in New Compensation Plans

KANSAS CITY—Pointing out that the new retrospective rating and graded cost workmen's compensation rating plans sharply narrow the margin between stock and non-stock carriers, John H. Eglof, Hartford, casualty and surety field service supervisor Travelers, urged those attending the casualty and surety sales congress here to use these "pay-as-you-go" plans to land uninsured and mutual-insured risks, to conserve their present lines and to help industry reduce the drain on manpower by providing a real incentive for accident prevention programs.

Mr. Eglof supplemented his talk with charts showing the comparative results of the guaranteed cost and the three retrospective plans with risks of different size and loss ratios, showing the "pay dirt" for each risk.

Reductions Almost Universal

Since the first retrospective plans were introduced late in 1936, Mr. Eglof said, 1,980 risks have been reported to the National Council on Compensation Insurance as being written under one of these plans, and only 5.8% earned the maximum premium. On the other hand, almost half these risks, 823, earned the minimum premium and the average overall saving, on premiums aggregating nearly \$40 million, was 16.7%. Under the present program, he added, the savings would have been much greater.

It is important to study each risk carefully before making any recommendations and risks now on a producer's books should be comparatively easy to analyze correctly. For example, Mr. Eglof said, a \$10,000 risk with a 40%

loss ratio is sure of a saving of 12.2% under the guaranteed cost plan, but plan B, if the present loss ratio continues, will save it 29.5%. There is little reason to assume that the loss ratio will suddenly drop to 22%, so as to earn a big saving under plan C, but it would be equally silly to recommend plan A and cut the possible saving to 19%, just to hedge against a possible surcharge.

True Non-Stock Dividend Cut

Mr. Eglof said the new plans give the producer an advantage over non-stock competition, as non-stock carriers use lower guaranteed cost credits and raise retrospective charges by an adjustment factor. At present, with a \$10,000 risk, the non-stock initial cost is about 7% higher than the stock company guaranteed cost premium, so the participating dividend actually becomes 14.4%—not the publicized 20%.

So far it is not known how non-stock carriers will handle dividends on risks subject to retrospective rating, Mr. Eglof said. Under old plans they usually based the dividend on the sum of the minimum premium and the expense loading on losses exceeding the minimum; but, whatever system they may adopt, it is clear that their price advantage is greatly reduced. The final "payoff" is on loss ratios and the carrier with the best accident prevention service is going to get the business. The same argument can and should be used with self-insurers, Mr. Eglof pointed out, since the new plans answer the old and often correct argument that these firms should not pay a carrier 37½ cents on the premium dollar for expenses.

C. of C. Committee Recommendations on SS and Health

The board and insurance committee of the U. S. Chamber of Commerce last week considered the report of a special committee on social security, headed by M. B. Folsom, Rochester, N. Y. The recommendations of the committee will be submitted to a referendum vote of chamber members.

With respect to old age and survivors' insurance, the committee urges extension of the coverage so that substantially all gainfully employed persons will be covered by the system. Many groups requiring protection as much as those that are covered are now excluded. Extension of benefits for premature superannuation due to permanent total disability at ages 55 to 65 is recommended.

The committee proposes appointment by joint action of the House and Senate of a committee of experts to reexamine the fiscal aspects of old age and survivors' insurance so that the problem of whether to freeze the old age tax rate will not occur annually as has been the case.

In connection with health insurance, the report reviews the substantial achievement of private insurance carriers, individual employers and voluntary groups and urges substantial further efforts in this direction. The committee urges, if it should later develop that some governmental action might be appropriate in this field, that it be done as an experiment at the state or local level, rather than at the federal level.

The chamber staff is preparing for a referendum vote of members, probably in about two weeks, on the report of the social security committee. A special subcommittee, understood to be headed by a member of the chamber's board of

National Bureau Experience Exhibit Is Released

Net Premiums of \$802,118,995 Are \$7 Million Below 1942

NEW YORK—The National Bureau of Casualty & Surety Underwriters has completed its annual compilation of the casualty experience exhibit showing the combined countrywide underwriting results by line of business for all stock companies licensed to transact casualty insurance in New York. Due to differences in procedure in treatment of federal income taxes, the compilation has been so developed as to show the net gain or loss from underwriting prior to federal income taxes as well as after income taxes. The latter figure includes federal income taxes only for those companies which allocate such taxes by line of business. A number of companies representing a very substantial proportion of the total business do not so allocate their taxes. Consequently, the actual underwriting profit after federal income tax, is substantially less than the figure shown.

The total net written premiums for all lines combined amounting to \$802,118,995 shows a slight decrease from the previous year when the figure amounted to \$809,253,457. The underwriting profit prior to federal income taxes is slightly greater amounting to 13.3% of the earned premiums for 1943 compared to 13.2% for the previous year. The underwriting profit after federal tax shows a slightly greater increase over the previous year due to the fact that some carriers which had previously allocated such tax to line of business discontinued allocating the tax in 1943.

Underwriting Profits

An underwriting profit is shown for all lines with the exception of health, glass, boiler and machinery, and miscellaneous. The National Bureau calls attention to the fact that abnormal changes in volume distort indications.

In group accident and health the written premiums amounting to \$39,800,000 represent an increase of approximately 80% over the premium volume of \$22,100,000 shown for the previous year.

Automobile bodily injury liability shows a substantial reduction in premiums. The net premiums written for 1943 are slightly over \$155 million compared to \$200 million in 1942. The loss ratio for 1943 including total claim expenses, amounts to 49.9 compared to 46.3 for the previous year.

While the underwriting profit shown for the year is not as great as for 1942, a substantial profit is still indicated. The profit is somewhat distorted by the substantial decrease in premium writings. That distortion tends to exaggerate the favorable result. Furthermore, there is serious doubt that conditions in the field are as favorable as indicated by the 1943

(CONTINUED ON PAGE 30)

NO SEPARATE COVERS

He suggested abolishing products liability as a separate cover by treating it as a part of the premises and operations hazards and including the cost in the premium for these exposures. A precedent is found in the treatment of teams liability as a part of premises and operations hazards for all but a few classifications in which there is an abnormal use of teams, he said.

Abolishment of separate covers would require the initial exercise of

(CONTINUED ON PAGE 29)

directors opposed to the recommendations in the report, is working on arguments against those recommendations, which will be submitted to chamber membership together with a series of questions, based on the committee's idea as to what should, and should not, be done about social security. At present, these questions are understood to number 19, which will be supported by affirmative arguments.

N. Y. Department Exhibit

The accompanying tables on 1943 automobile experience have been compiled by the New York insurance department from the casualty experience exhibits filed by New York licensed companies. They give the country-wide experience of individual casualty companies on automobile bodily injury showing premiums earned and losses and expenses incurred for 1943 plus an analysis of the incurred expense ratios. For property

damage liability the experience is given in the aggregate only.

Incurred losses are based upon case estimate reserves and exclude allocated claim expense. Expense ratios include both allocated and unallocated claim expense.

In New York state last year the total B. I. premiums of stock companies totaled \$36,116,792, a decrease of nearly \$10 million from the \$46,082,457 pre-

miums in 1942. The mutual companies in New York had B. I. premiums of \$15,975,263 as compared with \$20,010,710 in 1942, while the reinsurers had \$222,900 last year and \$708,346 the preceding year. Property damage liability premiums of stock companies in New York state last year totaled \$10,808,287 and the previous year they were \$12,127,218. The mutual P. D. premiums were \$4,837,001 last year and \$5,557,281 in 1942.

Bodily Injury Liability

STOCK COMPANIES

Premiums Earned	Underwriting Ratios		Fed. Inc. tax	Analysis of Incurred Expense Ratios				
	Loss	Expense		Claim Adjust-ment	Acquisition and Super-vision	Genl. Adminis-tration	Inspection and Bureau	Taxes and fees
Accident & Cas.	1,029,275	44.8	59.7	19.7	24.8	16.3	2.1	2.8
Aetna Casualty	9,403,870	25.5	43.7	16.1	7.0	9.5	.6	2.6
Allstate	3,500,741	35.4	45.2	19.4	7.8	11.6	1.4	2.4
American Auto.	8,391,860	26.7	50.4	22.9	8.2	11.0	5.2	2.8
American Employers.	2,456,426	38.7	45.5	15.8	8.0	27.0	7.5	2.0
American F. & C.	3,539,943	52.2	37.0	10.8	2.9	10.4	15.7	4.9
Amer. Guarantee	69,321	50.4	38.0	11.3	7.1	6.7	3.8	2.7
American Motorists.	3,061,167	46.3	32.4	21.3	1.1	8.3	16.8	4.6
American Policyholders.	930,213	48.7	36.1	15.2	...	15.0	2.4	14.8
American Surety	1,287,686	46.9	54.2	17.1	...	8.7	27.7	14.4
Asso. Indemnity	43,173	37.7	43.6	18.7	...	18.5	16.0	1.9
Asso. Indemnity	479,674	40.6	53.5	5.9	1.0	16.8	24.9	2.6
Bankers Indemnity	1,188,785	30.3	50.9	18.8	8.9	10.1	25.5	11.2
Car & General.	1,175,887	43.4	57.8	1.2	...	15.2	26.1	11.8
Central Surety	2,058,738	52.9	35.1	12.0	4.3	12.5	14.8	4.8
Century Indemnity.	2,019,989	41.9	47.6	10.5	...	8.7	27.3	8.1
Citizens Casualty	589,677	51.1	53.7	4.8	...	21.5	15.4	14.1
Columbia Casualty	794,751	42.6	45.1	12.3	2.0	12.2	23.3	6.2
Com. Casualty	2,705,129	38.1	52.8	9.1	...	12.2	24.9	12.2
Connecticut Indemnity.	794,866	30.3	49.2	20.5	...	11.9	26.0	7.6
Continental Casualty.	5,476,446	43.5	43.1	13.4	...	11.2	19.4	8.4
Eagle Indemnity	1,455,569	34.7	41.8	23.5	...	11.2	23.9	5.7
Employers' Liability	5,795,611	44.1	45.7	10.2	1.1	9.3	24.8	8.0
Fidelity & Casualty	4,918,976	40.6	46.6	12.8	5.6	9.9	25.6	6.2
Fireman's Fund Indem.	1,810,070	38.7	46.3	15.0	...	9.0	23.2	9.2
General Accident	5,966,464	31.2	42.3	26.5	...	9.5	23.9	5.4
General Cas., Seattle.	2,410,195	31.9	44.6	23.5	13.2	7.9	28.7	4.5
Gen. Trans. Cas. & Sur.	1,914,424	59.6	29.6	10.8	2.1	16.0	2.6	6.2
Glen Falls Indemnity.	1,913,010	33.3	52.5	14.2	...	12.4	28.5	8.3
Globe Indemnity	5,252,299	42.0	41.6	2.4	6.3	8.0	21.5	6.6
Great American Indem.	2,944,003	44.5	53.2	2.3	...	12.5	22.7	12.0
Hardware Indemnity.	476,189	6.3	18.7	1.9	...	15.0	4.0	7.9
Hartford Accident	11,551,964	36.5	39.7	23.8	9.6	7.7	21.4	7.0
Home Indemnity	1,928,949	32.4	45.3	22.3	15.0	10.2	26.4	4.5
Indemnity of N. A.	3,779,391	40.0	48.6	11.4	5.9	11.0	25.4	8.2
Keystone Auto Club.	830,526	30.3	43.4	26.3	3.4	12.4	17.2	12.1
London Guar. & Acci.	1,331,716	45.2	48.6	6.2	1.3	12.7	23.5	8.5
London & Lanc. Indem.	1,051,925	42.6	54.5	2.9	...	11.4	26.8	12.0
Mfrs. Casualty	1,465,845	39.0	51.4	9.6	8	13.8	24.5	10.4
Maryland Casualty.	4,882,434	35.3	48.8	15.9	...	11.2	26.3	6.8
Massachusetts Bonding.	4,175,587	39.8	50.7	9.5	6.1	15.7	22.9	9.1
Merchants Indemnity.	1,616,839	35.7	44.6	3.7	...	11.7	22.9	9.4
Metropolitan Casualty.	3,165,006	34.0	51.6	14.4	...	11.2	25.0	11.9
National Casualty	339,687	36.3	50.4	13.3	...	15.3	22.3	8.4
New Amsterdam Cas.	2,994,775	50.3	47.6	2.1	1.0	11.0	25.9	7.6
New England Casualty.	130,858	72.2	56.4	28.6	...	15.2	24.2	12.8
New York Casualty.	744,060	44.5	50.7	4.8	...	11.3	26.6	8.9
Norwich Union Indem.	149,880	42.4	57.2	4	...	8.9	26.3	14.5
Ocean Accident	1,423,293	27.2	46.4	26.4	1.9	10.0	22.4	9.7
Peerless Casualty.	578,000	58.6	49.2	7.8	...	6.6	27.7	12.0
Pennsylvania Casualty.	3,314,523	38.6	70.5	69.1	1	28.1	30.9	6.5
Phoenix Indemnity.	999,925	45.7	44.6	3.7	3.8	14.9	25.2	6.6
Preferred Accident	3,012,482	42.5	53.5	4.0	...	16.4	25.4	8.2
Protective Indemnity.	530,127	52.4	37.4	10.2	...	8.9	23.4	1.4
Royal Indemnity	3,557,552	42.8	39.7	17.5	6.0	7.5	21.5	7.1
St. Paul Mercury Indem.	2,522,862	28.4	47.1	24.5	3	9.0	22.6	10.2
Seaboard Surety	2,592	...	43.6	56.4	39.2	...	25.1	7.5
Standard Accident	4,505,042	33.7	51.7	14.6	5.2	11.1	26.7	9.4
Standard Sur. & Cas.	977,846	30.1	49.6	11.3	...	10.1	30.0	5.1
Sun Indemnity	1,480,685	46.2	47.9	5.9	2.3	16.3	21.1	7.2
Travelers Indemnity.	13,666,462	27.7	47.6	24.7	...	6.9	25.8	10.2
United States Casualty.	1,616,839	34.4	42.2	19.4	...	7.4	23.3	7.8
U. S. Fidelity & Guar.	6,771,271	43.3	45.7	11.0	4.3	10.7	25.6	7.5
U. S. Guarantee.	1,429,905	27.3	42.0	30.7	10.8	7.8	23.3	8.0
Universal Indemnity	185,113	45.6	40.0	14.4	2.3	5.0	23.7	7.1
Western National Indem.	538,888	24.1	51.9	24.0	...	9.7	27.6	10.9
Yorkshire Indemnity.	287,121	45.2	53.2	1.6	5	10.4	24.9	12.5
Zurich	3,327,746	42.3	40.9	16.8	4.0	10.7	21.0	5.9
1939 Totals	\$171,949,001	43.4	47.6	9.0	1.1	11.8	23.5	7.9
1940 Totals	176,428,453	45.0	48.2	6.8	9	11.6	24.4	7.8
1941 Totals	207,677,091	48.9	48.5	2.6	6	11.0	25.1	7.9
1942 Totals	207,118,849	36.1	45.2	18.7	5.2	10.3	23.1	7.5
1943 Totals	176,388,165	39.4	45.8	14.8	4.0	10.5	23.3	8.0

MUTUAL COMPANIES

Amalgamated Mut. Auto. \$	274,550	60.2	40.0	2	1.5	13.0	23.8	4	2.8
American Mut. Liab.	2,521,888	45.1	30.7	24.2	8	6.4	15.6	6.3	2.0
Butchers' Mut. Cas.	157,220	66.2	41.2	7.4	8	15.2	10.1	11.1	2.6
Coal Merchants Mut.	194,554	36.8	48.7	14.5	2	21.2	15.3	8.6	2.2
Electric Mut. Liab.	42,038	11.6	18.7	69.7	...	17.5	...	5	2
Empire Mut. Cas.	436,268	64.4	27.3	8.3	7	14.9	6.4	5.7	2
Employers Mut. Liab.	1,614,535	40.0	28.7	31.3	7	7.8	15.7	2.3	1.5
Exchange Mut. Indem.	255,439	29.1	31.9	39.0	...	6.3	24.1	1	1.3
Factory Mut. Liab.	1,473,256	11.1	31.8	57.1	1.1	8.0	...	22.6	3
Farm Bureau, Ohio.	3,458,671	26.7	41.9	31.4	8	7.0	20.2	12.3	7
Hardware Mut. Liab.	4,258,111	29.5	34.2	36.3	...	10.3	14.9	5.5	1.6
Interboro Mut. Liab.	626,839	39.7	26.0	34.3	6	12.8	3.5	6.1	2.2
Jamestown Mutual	784,803	42.3	40.1	14.6	6	15.9	13.4	6.6	1.0
Liberty Mutual.	7,849,416	35.0	28.9	36.1	7	7.8	11.2	7.4	9
Lumber Mut. Cas., N. Y.	162,768	42.6	31.3	26.1	8	11.0	8.5	7.9	1.8
Lumbermen's M. Cas., Ill.	10,213,381	38.1	32.8	29.1	7	7.5	17.4	5.1	1.1
Manhattan Mut. Auto.	1,370,847	64.3	35.4	3	1.0	12.9	10.1	7.7	1.8
Merchants Mut. Cas.	2,615,081	42.8	37.2	20.0	8	15.8	9.7	8.0	1.0
Nat. Grange Mut.	1,329,532	29.2	30.0	40.8	...	8.8	10.6	9.0	2
N. Y. Print. & Bookbind.	9,104	73.4	14.3	12.3	1.1	2.0	3.9	5.2	1.0
Penn. Threshermen	569,283	37.2	41.2	21.6	...	7.8	10.9	10.9	7
Public Service Mut.	1,314,490	59.8	22.9	...	6	14.0	16.5	8.6	7
Security Mut. Cas.	215,933	27.5	32.4	39.1	2.7	10.5	18.2	3.1	4
Utica Mutual	2,419,618	27.1	40.0	32.9	...	8.8	19.5	7.4	1.5
1939 Totals	\$7,439,160	44.4	32.2	23.4	...	10.0	12.4	6.6	1.0
1940 Totals	48,708,588	44.8	32.9	21.3	...	10.9	12.7	7.2	1.1
1941 Totals	51,556,537	43.0	34.3	22.7	...	9.9	13.8	7.4	1.0
1942 Totals	56,320,820	34.7	32.4	32.9	6	8.8	13.2	7.2	1.0
1943 Totals	44,167,825	36.8	33.8	29.4	6	9.3	14.2	7.5	1.0

(CONTINUED ON PAGE 25)

Results of Army Safety Program Given

An interesting review of the results obtained under the army's safety program in privately owned, privately operated war contract plants which are considered by the army as vital to the successful prosecution of the war was presented by Lt. Col. R. W. Applegate, chief of safety and health branch of the security and intelligence division, sixth service command, at the annual meeting of the Health and Accident Underwriters Conference in Chicago this week.

He said that at the outset the army's approach to the safety problem, both in its own personnel and its civilian work, is strictly from a standpoint of manpower conservation. However, in the war production plants, it also concerns itself with the elimination or control of unsafe practices or conditions which may retard war production through accidents or result in the destruction of vital war materials. Army safety engineers take up such points as machine guarding, proper protective equipment, ventilation, sanitation, protective clothing and industrial hygiene. They also give attention to employee-selection, training and placement, shop supervision, employee work practices, first aid facilities and the establishment of adequate records and reports.

Monthly Injury Report

A monthly injury summary report is obtained from each privately controlled, privately operated facility under war contract to the army. This covers the injury frequency rate, total employee work hours, and number of disability injuries.

In the sixth service command, where the safety program in 1943 covered an average of 300 million man hours of exposure per month, the frequency rate in December was 32% below that for January, 1943.

He also reviewed the safety training carried on among military personnel, inasmuch as an accidental injury in the zone of combat knocks a man out as effectively as an enemy shell and may well be of such a nature as to place the entire action in jeopardy; among civilian personnel at all war department installations throughout this country, which resulted in lowering the frequency rate before 1943 52% in the sixth service command, and among prisoners of war which has resulted in considerable savings in connection with compensable injuries sustained by prisoners, as well as a definite reduction in the time consumed by the army medical corps in their treatment and rehabilitation.

Mutual Casualty Rating Bureau Examined in N. Y.

NEW YORK—The New York department has issued an examination report on the Mutual Casualty Insurance Rating Bureau. It contains a number of recommendations, nearly all of a technical nature. The examiners found nothing special to criticize.

Included is a recommendation that the Mutual Bureau and the National Bureau undertake a complete general revision of burglary rates designed to correct the relativities between classifications and rate territories and to adjust the general rate level in the light of recent experience, which has continued to be favorable. The report holds that the overall rate level for most burglary, theft and robbery coverages is redundant.

Another recommendation, also made in the report on the National Bureau examination in 1940, is that the glass acquisition cost be cut 30%. The examiners recommend that Mutual Bureau and National Bureau undertake a complete revision of glass rates.

The examination was conducted by Barbara Woodard who is no longer with the department, with examiners Herbert Matties and Harold Sohmer assisting.

XUM

CASUALTY EXPERIENCE EXHIBIT

For Calendar Year 1943

Part I (Cont.)—Ratio of Losses and Expenses Incurred to Earned Premiums

Countrywide Experience of Stock Companies Entered in New York

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)
	Total	Accident	Health	Group Acc. & Health	Auto	Liability	Workmen's Comp.	Fidelity	Surety	Glass	Burglary	Boiler	Machinery	Auto P.D.	Auto Collision	P.D. & Coll.	Credit	Sprinkler	Miscellaneous
1. Losses Inc. (Excl. all Claim Exp.).....	41.3	26.2	48.3	74.0	39.4	29.9	59.0	11.3	3.9	45.0	22.9	22.0	33.0	46.5	38.9	28.4	—	30.1	97.5
2. Claim Exp. Inc. (Alloc. & Unallo.).....	8.2	3.1	5.1	4.0	10.5	10.0	7.9	7.1	5.7	5.3	4.7	2.0	3.0	12.6	7.4	7.3	9.0	6.8	3.2
3. Total.....	49.5	29.3	53.4	78.0	49.9	39.9	66.9	18.4	9.6	50.3	27.6	24.0	36.0	59.1	46.3	35.7	8.1	36.9	100.7
4. Commissions Incurred.....	17.8	30.8	31.7	6.4	18.6	21.6	11.2	18.8	17.7	32.9	28.2	25.3	26.1	21.6	27.6	19.7	20.4	24.1	19.8
5. Other Production Expenses Incurred.....	5.1	5.6	4.7	1.5	4.7	5.2	3.6	11.2	7.8	6.8	7.9	9.0	8.8	5.2	3.5	4.9	5.6	9.6	1.9
6. Total.....	22.9	36.4	36.4	7.9	23.3	26.8	14.8	30.0	25.5	39.7	36.1	34.3	33.9	26.8	31.1	24.6	26.0	33.7	21.7
7. General Administration.....	9.0	10.6	9.1	6.1	8.0	9.9	7.8	14.5	11.8	10.3	11.2	11.5	11.9	8.5	7.3	10.1	18.4	10.8	6.7
8. Inspection & Bureau Expenses.....	2.3	.4	.2	.1	1.3	4.7	1.8	.6	.9	1.9	1.4	42.6	15.4	1.1	.7	1.3	.6	3.4	.1
9. Taxes, Licenses and Fees—																			
Federal Income Tax.....	3.7	1.9	.1	.3	4.0	3.7	1.0	10.5	15.7	.4	5.7	.3	2.4	1.3	2.6	7.6	19.5	4.7	1.8
All Other.....	3.1	3.1	3.0	2.7	2.6	3.3	3.4	3.4	2.6	3.2	3.6	4.3	4.2	2.8	1.2	3.3	3.2	3.5	3.1
10. Total.....	18.0	16.0	12.4	9.2	15.9	21.6	14.0	29.0	31.0	15.8	21.9	58.7	33.9	13.7	11.8	22.3	36.7	22.4	11.7
SUMMARY																			
11. Total Expenses Incurred—																			
Including Federal Income Tax.....	49.1	55.5	53.9	21.1	49.7	58.4	36.7	66.1	62.2	60.8	62.7	95.0	70.8	53.1	50.3	54.2	71.7	62.9	36.6
Excluding Federal Income Tax.....	45.4	53.6	53.8	20.8	45.7	54.7	36.7	55.6	46.5	60.4	67.0	94.7	68.4	51.8	47.7	46.6	52.2	58.2	34.8
12. Total Losses and Expenses Incurred—																			
Including Federal Income Tax.....	90.4	81.7	102.2	95.1	89.1	88.3	95.7	77.4	66.1	105.8	85.6	117.0	103.8	99.6	89.2	82.6	70.8	93.0	134.1
Excluding Federal Income Tax.....	86.7	79.8	102.1	94.8	85.1	84.6	94.7	66.9	50.4	105.4	79.9	116.7	101.4	98.3	86.6	75.0	51.3	88.3	132.3
13. Net Gain from Underwriting—																			
After Federal Income Tax.....	9.6	18.3	—2.2	4.9	10.9	11.7	4.3	22.6	33.9	—5.8	14.4	—17.0	—3.8	.4	10.8	17.4	29.2	7.0	—34.1
Prior to Federal Income Tax.....	13.3	20.2	—2.1	5.2	14.9	15.4	5.3	33.1	49.6	—6.4	20.1	—16.7	—1.4	1.7	13.4	25.0	48.7	11.7	—32.3

†Miscellaneous includes Live Stock, Non-Cancellable Accident & Health, Auto Fire, Theft and Embezzlement.
‡Minus (—) sign denotes Loss. §See Note (§) on Sheet 1.

Comparison of Production Costs for Calendar Years 1939 to 1943 Inclusive

Line of Business	Commissions Incurred					Ratio to Premiums Written—Direct Business					Other Production Expenses Incurred					Total Production Expenses Incurred				
	1939	1940	1941	1942	1943	1939	1940	1941	1942	1943	1939	1940	1941	1942	1943	1939	1940	1941	1942	1943
Accident.....	28.3%	28.0%	20.4%	20.4%	20.4%	5.2%	5.0%	4.9%	4.9%	5.5%	34.5%	32.8%	32.9%	35.9%	35.4%	34.5%	32.8%	32.9%	35.9%	35.4%
Health.....	17.2%	16.3%	13.5%	30.9%	31.1%	2.3%	2.1%	1.9%	1.9%	4.2%	19.5%	18.4%	15.4%	35.1%	35.4%	19.5%	18.4%	15.4%	35.1%	35.4%
Group Acc. & Health.....				6.8	6.5					1.7				8.5	7.9					
Automobile Liability.....	19.3	19.5	19.5	20.2	20.2	4.5	4.6	4.5	4.5	4.9	23.8	24.1	23.9	24.0	25.1					
Liability (Not Auto).....	20.9	20.7	20.2	20.7	20.7	4.8	4.9	4.7	4.7	4.5	25.7	25.6	25.7	24.7	25.4					
Workmen's Comp.....	15.3	15.4	12.9	10.8	4.3	4.4	4.4	4.0	3.4	3.4	17.6	17.8	16.3	14.3	14.2					
Fidelity.....	19.9	19.6	19.6	19.5	9.4	9.4	9.4	9.2	8.9	9.2	29.3	29.0	28.9	29.3	29.3					
Surety.....	25.5	25.6	24.6	23.9	8.6	8.6	8.4	7.9	9.5	9.5	34.1	34.2	33.4	32.5	33.4					
Glass.....	30.7	30.9	30.7	30.5	31.2	6.3	6.6	6.3	6.2	6.4	37.0	37.5	37.0	36.7	37.6					
Burglary.....	25.9	25.8	25.8	25.8	6.4	6.6	6.4	6.3	6.5	6.5	32.3	32.4	32.3	32.1	32.3					
Boiler.....	21.8	22.0	22.3	22.0	31.1	9.9	7.6	6.6	7.1	7.0	31.7	29.6	28.9	29.1	28.1					
Machinery.....	21.7	21.3	20.8	18.3	10.1	6.5	6.5	5.9	6.5	6.2	31.8	28.1	26.7	24.5	25.8					
Automobile P. D.....	20.9	21.2	21.0	21.0	21.9	4.5	4.7	4.5	4.7	4.5	25.4	25.9	25.5	25.7	27.1					
Automobile Collision.....	22.9	23.2	23.0	23.2	24.3	4.8	4.9	5.1	5.9	4.7	27.7	28.1	27.1	29.1	29.0					
Other P. D. & Coll.....	21.0	20.6	20.1	19.4	18.9	4.6	4.9	4.3	4.4	4.3	25.6	25.5	24.4	23.8	23.2					
Credit.....	23.3	23.6	23.4	23.8	23.9	6.0	5.2	4.7	3.5	3.9	29.3	28.8	28.1	27.3	27.8					
Sprinkler.....	22.6	22.6	22.6	22.6	21.6	8.6	8.0	7.7	7.4	8.1	31.2	30.4	30.2	29.9	29.6					
Miscellaneous.....	15.1	10.2	12.4	12.4	18.8	1.4	1.9	1.8	2.0	1.4	16.5	12.1	14.2	14.4	20.2					
Total.....	19.9	19.9	19.3	18.4	18.2	5.3	5.2	5.0	4.8	4.9	25.2	25.1	24.3	23.2	23.1					

Comparison of Earned Premiums and Underwriting Results for Calendar Years 1939 to 1943 Inclusive*

Line of Business	Premiums Earned (Net as to Reinsurance)					Percentage Increase in Premium Volume*					Premium Volume*				
	1939	1940	1941	1942	1943	1939	1940	1941	1942	1943	1939	1940	1941	1942	1943
Accident.....	36,907,101	39,274,971	42,211,072	34,134,928	34,667,241	6.4	7.5	...	1.6	...	...	...	...	...	...
Health.....	21,674,088	29,102,386	38,785,567	10,835,124	11,152,682	34.9	33.3	+	+	+	...	...	...	...	...
Group Acc. & Health.....				21,865,200	29,793,025	...	...	...	...	...	...	...	...	...	...
Auto Liability.....	171,950,001	176,000,158	192,775,509	207,119,316	176,388,165	2.4	9.5	7.4	—14.8	...	...	...	...	...	...
Other Liability.....	72,914,296	75,583,894	77,720,658	83,909,152	88,199,701	3.7	2.8	8.0	5.1	21.0	...	...	...	...	...
Workmen's Compensation.....	130,675,733	132,793,697	162,383,878	206,459,618	242,273,230	1.6	22.3	27.1	17.3	85.4	...	...	...	...	...
Fidelity.....	36,877,718	36,832,332	36,799,476	36,295,048	37,965,339	—1.1	—1.4	—1.4	4.6	2.9	...	...	...	...	...
Surety.....	43,202,032	42,944,688	47,852,225	66,735,288	48,439,896	—6	11.4	18.6	—14.6	12.1	...	...	...	...	...
Glass.....	9,312,385	9,270,168	9,344,978	9,662,723	9,843,436	—5	3.9	3.9	1.9	...	...	...	...	...	...
Burglary.....	24,071,404	24,062,188	24,962,670	26,487,583	29,016,550	—1	3.7	6.1	9.5	20.5	...	...	...	...	...
Boiler.....	7,662,792	7,735,240	8,008,310	8,438,493	8,442,217	.9	3.5	5.4	10.2	...	...	...	...	...	...
Machinery.....	3,710,951	3,915,487	4,462,356	5,489,903	5,684,180	5.5	13.7	23.3	3.5	53.2	...	...	...	...	...
Auto P. D.....	47,834,828	49,689,778	54,918,563	62,073,656	61,981,819	3.9	10.5	13.0	—2	29.6	...	...	...	...	...
Auto Collision.....	3,052,880	3,449,470	3,793,250	3,944,305	3,581,814	13.0	10.0	4.0	—9.2	17.3	...	...	...	...	...
Other P. D. & Coll.....	4,610,345	4,874,191	6,487,534	8,002,761	9,502,454	5.7	33.1	23.4	18.8	106.1	...	...	...	...	...
Credit.....	2,402,283	2,456,711	2,587,894	2,928,114	3,103,368	2.3	6.3	13.1	6.0	21.9	...	...	...	...	...
Sprinkler.....	613,479	618,567	645,943	717,611	797,591	.8	4.4	11.1	11.1	29.2	...	...	...	...	...
Miscellaneous.....	1,820,612	1,542,331	892,942	1,267,492	2,266,740	—15.3	—42.1	41.9	78.8	24.5	...	...	...	...	...
Total.....	619,192,928	640,146,257	714,612,825	786,167,389	802,800,210	3.4	11.6	10.0	2.1	29.7	...	...	...	...	...

Per Cent of Net Gain from Underwriting*

Line of Business	After Federal Income Taxes†						Prior to Federal Income Taxes†					
	1939	1940	1941	1942	1943	Total	1939	1940	1941	1942	1943	Total
Accident	8.4	8.7	10.7	11.1	18.3	11.3	8.7	9.1	11.1	13.6	20.2	12.3
Health	-2.6	-5.0	-1.1	2.6	-2.2	-2.2	-2.6	-4.9	-1.9	3.3	-2.1	-2.0
Group Accident & Health	...	...	...	4.7	4.9	4.9	...	...	...	6.2	5.2	6.7
Auto Liability	7.9	5.9	2.0	13.5	10.9	8.1	9.0	2.6	18.7	14.9	10.5	10.5
Other Liability	6.8	9.4	10.6	12.4	11.7	10.3	7.9	10.7	12.1	17.3	15.4	12.9
Workmen's Compensation	2.4	.8	1.8	1.7	4.3	2.4	2.8	1.2	2.3	2.8	5.3	3.1
Fidelity	19.8	20.3	23.4	16.1	22.6	20.5	23.5	23.9	27.4	23.9	33.1	26.5
Surety	14.4	21.5	24.8	20.4	33.9	23.1	17.2	26.1	30.5	32.7	49.6	31.7
Glass	-5	-3.6	-3	-1	-5.8	-2.9	-1	-3.5	-	-3.6	-5.4	-2.6
Burglary	19.4	19.3	19.8	18.1	14.4	18.1	22.4	21.7	22.4	21.7	20.1	22.6
Boiler	-	-2	-	-6.5	-1.2	-	-	-	-	-	-16.7	-5.7
Machinery	13.7	1.4	-11.7	7	-8.8	-6	15.7	2.1	-11.8	1.4	-	-
Auto P. D.	3.0	-6.7	-16.6	2.5	.4	-3.4	3.6	-6.7	-16.6	4.6	1.7	-2.4
Auto Collision	3.7	6.1	-6.6	5.5	10.8	3.8	4.8	8.2	-6.4	10.7	12.4	6.1
Other P. D. & Coll.	23.7	18.0	18.5	18.2	17.4	18.8	26.9	21.0	21.7	26.9	25.0	24.5
Credit	10.7	13.5	20.4	24.2	29.2	20.3	12.9	14.5	22.0	39.4	48.7	39.0
Sprinkler	15.1	-6.7	6.0	-16.6	7.0	3.2	18.0	-6.8	8.1	-16.7	11.7	5.2
Miscellaneous	-19.7	-28.0	-95.9	-86.6	-34.1	-45.2	-18.9	-26.5	-94.6	-85.2	-32.3	-43.8
Total	7.3	6.1	5.0	9.0	9.6	7.5	8.5	7.3	6.1	12.2	13.3	9.6

Semi-Annual Surety List of Treasury Department Issued

The Treasury Department has issued its new list of qualifying powers of individual surety companies for writing bonds running to the United States government. The underwriting power is equivalent to 10% of surplus to policyholders and is based upon the Dec. 31, 1943, statements.

In the following exhibit the companies are listed alphabetically with a showing of their underwriting authority in the Treasury list of April, 1943, and October, 1943, along with the new exhibit.

There are few major changes in this list as compared with the list of last October. The qualifying powers of 43 companies diminished as compared with the October list while 38 made an increase and six are unchanged.

Hartford Accident again heads the list with qualifying powers of \$3,520,000, an increase of \$39,000. Aetna Casualty is second with \$2,998,000, an increase of \$55,000. Then comes U. S. F. & G. with \$2,626,000, a sizable increase of \$253,000. Fourth place is held by Liberty Mutual with \$2,372,000, a decline of \$175,000, and it is closely followed by Fidelity & Casualty with \$2,324,000, a drop of \$87,000. The other company in the \$2 million class is Maryland Casualty with \$2,158,000, a decline of \$105,000.

	Apr. 1943	Oct. 1943	Apr. 1944
*Aetna Cas.	2,599,000	2,943,000	2,998,000
Aetna Bond	195,000	190,000	200,000
Amer. Cas.	152,000	180,000	607,000
Amer. Empl.	534,000	206,000	184,000
Amer. General.	161,000	270,000	272,000
Amer. G. & L.	262,000	269,000	245,000
Amer. Indem.	242,000	200,000	225,000
Amer. Motor.	1,000,000	1,115,000	1,162,000
Am. Mut. Liab.	875,000	997,000	995,000
Amer. Reins.	1,552,000	1,900,000	1,778,000
Amer. Surety.	223,000	254,000	356,000
Assoc. Ind.	140,000	168,000	154,000
*Car & Gen.	386,000	451,000	413,000
Cent. Surety	478,000	520,000	491,000
Century Indem.	407,000	448,000	430,000
Columbia Cas.	301,000	405,000	343,000
Comm. Cas.	90,000	94,000	92,000
Comm. Stand.	1,365,000	1,388,000	1,438,000
Cont. Cas.	368,000	413,000	447,000
Eagle Ind.	144,000	154,000	160,000
Empl. Cas. Tex.	1,552,000	1,771,000	1,661,000
*Emp. Mut. Ia.	170,000	170,000	170,000
Empl. Mut. Wisc.	809,000	850,000	850,000
Empl. Reins.	827,000	967,000	1,041,000
Eureka Cas.	72,000	979,000	1,001,000
*Europ. Gen.	873,000	184,000	176,000
Excess.	177,000	2,411,000	2,324,000
Fireman's Fund	1,519,000	1,627,000	1,674,000
Gen. Reins.	455,000	539,000	526,000
Globe Indem.	238,000	276,000	257,000
Gen. Reins.	803,000	955,000	990,000
Globe Falls	470,000	547,000	474,000
Globe Indem.	1,000,000	1,250,000	972,000
G. Amer.	791,000	166,000	165,000
*Guar. N. A.	161,000	3,481,000	3,520,000
Hartford Acc.	3,165,000	437,000	405,000
Home Indem.	340,000	1,698,000	1,484,000
Indem. N. A.	1,280,000	183,000	184,000
Internatl. Fid.	180,000	58,000	56,000
Kan. Bk. Sur.	55,000	2,547,000	2,372,000
Liberty Mut.	2,044,000	680,000	657,000
*Lomb. Mut. Cas.	656,000	250,000	246,000
Lond. & Lanc.	238,000	700,000	800,000
Lumb. Mut. Cas.	700,000	64,000	64,000
Maine Bond	62,000	460,000	441,000
Mfrs. Cas.	409,000	2,263,000	2,158,000
Md. Cas.	2,103,000	1,041,000	1,005,000
Mass. Bond	282,000	337,000	333,000
Merch. Indem.	485,000	562,000	539,000
Mellon Ind.	264,000	339,000	310,000
Metro. Cas.	201,000	182,000	209,000
Natl. Auto.	225,000	225,000	264,000
Natl. Cas.	1,510,000	1,907,000	1,502,000
Natl. Surety	1,122,000	1,138,000	1,380,000
New Am. Cas.	136,000	358,000	327,000
New Eng. Cas.	280,000	257,000	258,000
N. Y. Cas.	255,000	88,000	96,000
N. A. C. & S. Re.	635,000	738,000	698,000
Northw. Cas.	397,000	399,000	420,000
*Ocean Acc.	165,000	154,000	201,000
Pac. Empl.	558,000	653,000	679,000
Pac. Ind.	136,000	148,000	149,000
Peerless	406,000	402,000	402,000
Phoenix Ind.	314,000	1,702,000	1,793,000
Preferred Acc.	1,527,000	685,000	692,000
Royal Ind.	613,000	526,000	495,000
St. Paul Mer.	1,038,000	1,088,000	1,118,000
Seaboard Sur.	229,000	253,000	257,000
Stand. Acc.	306,000	306,000	333,000
Sun Ind.	48,000	52,000	42,000
Travelers Ind.	1,500,000	1,500,000	1,500,000
Trinity Unl.	242,000	301,000	256,000
United Pac.	190,000	207,000	190,000
U. S. Cas.	410,000	510,000	499,000
U. S. Guar.	1,101,000	1,244,000	1,220,000
U. S. F. & G.	2,038,000	2,373,000	2,626,000
U. S. Sur.	38,000	38,000	45,000
West American.	81,000	95,000	95,000

CASUALTY EXPERIENCE EXHIBIT

(CONT' FROM PRECEDING PAGE)

Line of Business	Part II—Production Cost on Direct Business		Other Production Expenses		Total Production Expenses		Ratio to Premiums Written—		
	Net Premiums Written on Direct Business	Commissions Incurred	Expenses Incurred	Expenses Incurred	Expenses Incurred	Expenses Incurred	Commissions	Production Expenses	Total
Accident	\$ 37,945,736	\$ 1,153,532	\$ 1,913,230	\$ 13,451,762	\$ 13,451,762	30.4%	31.1	4.3	35.4%
Health	11,336,555	3,530,215	489,240	4,019,455	4,019,455	6.5	1.4	1.4	7.9
Automobile Liability	30,184,174	1,967,630	426,484	2,394,114	2,394,114	20.2	4.9	4.9	25.1
Liability (Not Auto)	169,293,035	34,131,299	8,373,633	42,504,932	42,504,932	20.7	4.7	4.7	25.4
Workmen's Compensation	96,702,943	20,002,750	4,592,542	24,595,292	24,595,292	10.8	3.4	3.4	14.2
Fidelity	254,087,310	27,471,463	8,630,564	36,102,027	36,102,027	19.5	9.8	9.8	29.3
Surety	44,066,189	8,586,506	4,302,780	12,889,286	12,889,286	23.9	5.5	5.5	29.4
Glass	40,868,840	9,754,969	3,889,752	13,644,721	13,644,721	21.2	6.4	6.4	27.6
Burglary	10,448,579	3,262,837	664,114	3,926,951	3,926,951	25.8	7.0	7.0	32.8
Boiler	35,406,714	9,153,936	2,288,352	11,442,288	11,442,288	21.1	6.2	6.2	27.1
Machinery	10,883,413	2,297,616	762,995	3,060,611	3,060,611	21.9	5.2	5.2	27.1
Automobile P. D.	62,117,141	1,576,773	502,266	2,079,039	2,079,039	24.3	4.7	4.7	29.0
Automobile Collision	2,517,588	611,997	118,680	730,677	730,677	28.9	4.3	4.3	33.2
Other P. D. & Collision	10,946,846	2,066,481	468,550	2,534,981	2,534,981	23.9	5.9	5.9	29.8
Credit	4,470,474	1,066,855	174,651	1,241,506	1,241,506	21.5	8.1	8.1	29.6
Sprinkler	938,338	201,905	76,376	278,281	278,281	18.8	1.4	1.4	20.2
Miscellaneous	2,704,695	508,818	38,742	547,560	547,560	18.2	4.9	4.9	23.1
Total	\$832,986,278	\$151,309,436	\$40,933,721	\$192,243,157	\$192,243,157				

N. Y. Automobile Casualty Exhibit

(CONTINUED FROM PAGE 22)

	Premiums Earned	Underwriting Ratios—			Fed. Inc. tax	Analysis of Incurred Expense Ratios				
		Loss	Expense	Net Gain		Claim Adjust- ment	Acquisition and Field Super- vision	Genl. Adminis- tration	Inspection and Bureau	Taxes and fees
REINSURANCE COMPANIES										
American Reinsurance...	\$ 499,819	46.9	26.2	26.9	9.6	7.5	18.4	5.8	.3	1.7
Employers Reinsurance...	3,374,982	50.5	50.4	—3	...	4.8	38.0	3.9	.2	.8
European Gen. Reins...	1,830,419	40.1	53.0	6.9	2.4	4.2	46.7	1.3	.1	4.4
Excess	964,670	71.7	40.7	—12.4	...	8.2	28.5	3.6	...	2.0
General Reinsurance...	1,846,295	61.4	40.9	—2.3	...	...	26.5	4.0	.2	4.6
No. Amer. Cas. & Sur. Re.	411	...	75.4	24.6	10.4	5.5	70.6	3.1	...	1.0
1942 Totals	\$ 11,198,805	46.6	44.9	8.5	1.1	6.3	35.2	3.4	.1	1.4
1943 Totals	\$ 8,516,596	52.8	46.4	...	...	...	35.1	...	...	...
Property Damage Liability										
STOCK COMPANIES										
1939 Totals	\$ 47,834,828	44.3	52.7	3.0	...	13.5	26.1	8.1	1.2	3.8
1940 Totals	49,261,229	53.1	53.7	—6.8	.1	14.6	26.7	8.3	1.2	2.9
1941 Totals	54,918,746	61.6	55.0	—16.6	...	15.5	27.0	8.1	1.3	3.1
1942 Totals	62,073,673	44.4	51.0	4.6	2.1	13.0	25.9	8.0	1.1	3.0
1943 Totals	61,981,819	46.5	51.8	1.7	1.3	12.6	26.8	8.5	1.1	2.8
MUTUAL COMPANIES										
1939 Totals	\$ 13,067,735	40.8	36.0	23.2	...	12.3	13.0	7.6	.9	2.2
1940 Totals	13,341,771	48.2	37.4	14.4	...	13.2	13.6	7.6	1.0	2.0
1941 Totals	14,549,086	53.7	39.8	6.5	...	13.7	14.7	8.2	1.0	2.2
1942 Totals	17,435,332	40.1	36.5	23.4	...	10.8	14.7	7.8	.9	2.3
1943 Totals	15,538,381	38.6	35.8	25.6	.6	10.2	14.7	8.1	.9	1.9
REINSURANCE COMPANIES										
1942 Totals	\$ 1,154,509	35.1	44.2	20.7	16.3	5.3	36.3	2.1	.1	4
1943 Totals	915,709	40.6	47.2	12.2	4.5	5.8	37.3	2.7	...	1.3

... consideration of Federal Income Tax.

*These ratios show results before consideration of Federal Income Tax.

Urges Local Planning for Public Works

J. Harry Green, local agent of Janesville, Wis., writes as follows:

"I notice with interest an article appearing in your May 11 issue by W. D. Dean, manager of Bureau of Contract Information, Washington, speaking to the Surety Underwriters Association, regarding the postwar period, particularly in relation to construction.

"Mr. Dean has touched on some very important matters for the surety companies to give consideration to, however, in my opinion, he has missed the one important phase of the postwar construction period. How is this program to be financed?

"It is true that public works construction will be called on as in the past to furnish a substantial amount of employment for those returning veterans and others thrown out of employment who are now employed in defense work. These men will all want a real job at prevailing wages, and will definitely not be satisfied with the employment furnished during the dark days of the Thirties. In order that this may be brought about it seems to me that it is absolutely necessary for all local units of government from the state level

down, to get their financial houses in order so that they may finance their projects without federal aid.

"Some of the largest cities have tremendous postwar public works programs mapped out with no finances in sight to carry them forward. Detroit is a splendid example, as they have in the neighborhood of \$700 million of projects in sight, and their bonded indebtedness is in no shape to go forward with these projects. This means that they will have to call on the federal government for aid, using taxpayers' money from all sections of the country. It must be obvious to anyone that if the federal government is again to furnish any major portion of the monies necessary for postwar construction, they will again control this program to the detriment of the construction industry, the surety companies, and the taxpayers.

Local Planning Needed

"There are thousands of small communities who can and should finance their own projects, and I will give you an example in our small city of Janesville, with a population of 23,000.

"We have a program of postwar public works construction in the amount of \$2½ million, with our local finances in a position to carry it on with no outside help. Much of this program is in blue print and specification form at the present time, and all sites with one exception are acquired.

"I call this to your attention because if local units of government and the Committee for Economic Development fail to do our planning, the federal government most certainly will do it for us. A program of that sort will not be in the best interest of the taxpayers, the surety companies, or the construction

industry, and I believe that if those in the surety business want to contribute something worth while to the postwar period, they will call these matters to the attention of their local public officials. They should also individually become identified with, and contribute something to their local branch of the Committee for Economic Development.

Industry Should Be Ready

"While public works construction projects are probably of greater interest to the surety men, there is another fertile field which should not escape their attention. Manufacturing organizations should also have their engineers and architects preparing their plans and specifications now in order that they, too, may go forward with reconversion as soon as labor and materials are available. In addition to our public works construction program here, we have approximately \$2 million of industrial construction ready to go forward immediately. Better consideration can be given to all types of construction projects by architects and engineers now when they have the time to do so, rather than when it is all dumped into their laps at one time, which would undoubtedly result in many ill conceived projects being constructed.

"These remarks do not apply to the usual federal aid for highway construction but the surety associations can contribute tremendously to a sane postwar construction program if they will approach the matter from this angle."

Use FBI crime reports in selling burglary insurance. Write for samples of "Why You Need Burglary Insurance Protection." National Underwriter, 175 W. Jackson Blvd., Chicago 4, Ill.

CASUALTY EXPERIENCE EXHIBIT

For Calendar Year 1943

Part I (Cont.)—Ratio of Losses and Expenses Incurred to Earned Premiums

Countrywide Experience of Stock Companies Entered in New York

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)
Losses and Expenses	Total	Accident	Health	Group Acc. & Health	Auto	Liability (Not Auto)	Work men's Auto	Fidelity	Surety	Glass	Burglary	Boiler	Machinery	Auto P.D.	Auto Collision	P.D. & Coll. (Net Auto)	Credit	Sprinkler	Miscellaneous
1. Losses Inc. (Excl. all Claim Exp.).....	41.3	26.2	48.3	74.0	39.4	29.9	59.0	11.3	3.9	45.0	22.9	22.0	33.0	46.5	38.9	28.4	—	30.1	97.5
2. Claim Exp. Inc. (Alloc. & Unallo.).....	8.2	3.1	5.1	4.0	10.5	10.0	7.9	7.1	5.7	5.3	4.7	2.0	3.0	12.6	7.4	7.3	9.0	6.8	3.2
3. Total	49.5	29.3	53.4	78.0	49.9	39.9	66.9	18.4	9.6	50.3	27.6	24.0	36.0	59.1	46.3	35.7	8.1	36.9	100.7
4. Commissions Incurred	17.8	30.8	31.7	6.4	18.6	21.6	11.2	18.8	17.7	32.9	28.2	25.3	25.1	21.6	27.6	19.7	20.4	24.1	19.8
5. Other Production Expenses Incurred.....	5.1	5.6	4.7	1.5	4.7	5.2	3.6	11.2	7.8	6.8	7.9	9.0	8.8	5.2	3.5	4.9	5.6	9.6	1.9
6. Total	22.9	36.4	36.4	7.9	23.3	26.8	14.8	30.0	25.5	39.7	36.1	34.3	33.9	26.8	31.1	24.6	26.0	33.7	21.7
7. General Administration	9.0	10.6	9.1	6.1	8.0	9.9	7.8	14.5	11.8	10.3	11.2	11.5	11.9	8.5	7.3	10.1	13.4	10.8	6.7
8. Inspection & Bureau Expenses.....	2.2	.4	.2	.1	1.3	4.7	1.8	.6	.9	1.9	1.4	42.6	16.4	1.1	.7	1.3	.6	3.4	.1
9. Taxes, Licenses and Fees—Federal Income Tax	3.7	1.9	.1	.3	4.0	3.7	1.0	10.5	15.7	.4	5.7	.3	2.4	1.3	2.6	7.6	19.5	4.7	1.8
10. All Other	3.1	3.1	3.0	2.7	2.6	3.3	3.4	3.4	2.6	3.2	3.6	4.3	4.2	2.8	1.2	3.3	3.2	3.5	3.1
11. Total	13.0	16.0	12.4	9.2	15.9	21.6	14.0	29.0	31.0	15.8	21.9	58.7	33.9	13.7	11.8	22.3	36.7	22.4	11.7
SUMMARY																			
11. Total Expenses Incurred—Including Federal Income Tax.....	49.1	55.5	53.9	21.1	49.7	58.4	36.7	66.1	62.2	60.8	62.7	95.0	70.8	53.1	50.3	54.2	71.7	62.9	36.6
12. Excluding Federal Income Tax.....	45.4	53.6	53.8	20.8	45.7	54.7	35.7	65.6	46.5	60.4	67.0	94.7	63.4	51.8	47.7	46.6	52.2	58.2	34.8
13. Total Losses and Expenses Incurred—Including Federal Income Tax.....	90.4	81.7	102.2	95.1	89.1	88.3	95.7	77.4	66.1	105.8	85.6	117.0	103.8	99.6	89.2	82.6	70.8	93.0	134.1
14. Excluding Federal Income Tax.....	86.7	79.8	102.1	94.8	85.1	84.6	94.7	66.9	60.4	105.4	79.9	116.7	101.4	98.3	86.6	75.0	51.3	88.3	132.3
15. Net Gain from Underwriting—After Federal Income Tax.....	9.6	18.3	—2.2	4.9	10.9	11.7	4.3	22.6	33.9	—5.8	14.4	—17.0	—3.8	.4	10.8	17.4	29.2	7.0	—34.1
16. Prior to Federal Income Tax.....	13.3	20.2	—2.1	5.2	14.9	15.4	5.3	33.1	49.6	—5.4	20.1	—16.7	—1.4	1.7	13.4	25.0	48.7	11.7	—32.3

†Miscellaneous includes Live Stock, Non-Cancellable Accident & Health, Auto Fire, Theft and Embezzlement.
‡Minus (—) sign denotes Loss. §See Note (f) on Sheet 1.

Comparison of Production Costs for Calendar Years 1939 to 1943 Inclusive

Line of Business	Commissions Incurred					Ratio to Premiums Written—Direct Business					Other Production Expenses Incurred					Total Production Expenses Incurred				
	1939	1940	1941	1942	1943	1939	1940	1941	1942	1943	1939	1940	1941	1942	1943	1939	1940	1941	1942	1943
Accident	29.3%	28.8%	28.0%	30.4%	30.4%	5.2%	5.0%	4.9%	5.5%	5.0%	34.5%	33.8%	32.9%	35.9%	35.4%	34.5%	33.8%	32.9%	35.9%	35.4%
Health	17.2	16.3	13.6	30.9	31.1	2.3	2.1	1.9	4.2	4.3	19.5	18.4	15.4	35.1	35.4	18.4	15.4	35.1	35.4	35.4
Group Acc. & Health	19.5	19.4	19.5	20.2	4.5	4.6	4.5	4.5	4.9	23.8	24.1	23.9	24.0	26.1	26.1	23.9	23.9	24.0	26.1	26.1
Automobile Liability	20.9	20.7	20.2	20.7	4.8	4.9	4.9	4.9	4.7	25.7	25.6	25.7	24.7	24.7	24.7	25.6	25.6	25.7	24.7	24.7
Workmen's Comp.	13.3	13.4	12.9	10.9	10.8	4.3	4.4	4.0	3.4	17.6	17.8	16.9	14.3	14.3	14.3	16.9	16.9	14.3	14.3	14.3
Fidelity	19.9	19.6	19.7	19.6	19.5	9.4	9.4	9.2	8.9	9.8	29.3	29.0	28.9	28.5	28.5	29.3	29.0	28.9	28.5	28.5
Surety	25.5	25.6	25.0	24.6	23.9	8.6	8.6	8.4	7.9	9.5	34.1	34.2	33.4	32.5	32.5	34.1	34.2	33.4	32.5	32.5
Glass	30.7	30.9	30.7	30.5	31.2	6.3	6.3	6.3	6.2	6.4	37.0	37.5	37.0	36.7	36.7	37.0	37.5	37.0	36.7	36.7
Burglary	25.9	25.8	25.9	25.8	25.8	6.4	6.4	6.4	6.3	6.5	32.3	32.4	32.3	32.1	32.1	32.3	32.4	32.3	32.1	32.1
Boiler	21.8	22.0	22.3	22.0	21.1	9.9	9.9	7.6	7.1	7.0	31.7	29.6	28.9	29.1	29.1	31.7	29.6	28.9	29.1	29.1
Machinery	21.7	21.2	20.8	18.3	19.6	10.1	10.1	6.8	6.5	6.2	31.8	28.1	26.7	24.8	24.8	31.8	28.1	26.7	24.8	24.8
Automobile P. D.	20.9	21.2	21.0	21.0	21.9	4.5	4.7	4.5	4.7	6.2	25.4	25.9	25.5	25.7	25.7	25.4	25.9	25.5	25.7	25.7
Automobile Collision ..	22.9	23.2	23.0	23.2	24.3	4.8	4.9	5.1	5.9	4.7	27.7	28.1	28.1	29.1	29.1	27.7	28.1	28.1	29.1	29.1
Other P. D. & Coll.	21.0	20.6	20.1	19.4	18.9	4.6	4.6	4.3	4.4	4.3	25.6	25.5	24.4	23.8	23.8	25.6	25.5	24.4	23.8	23.8
Credit	23.3	23.6	23.4	23.8	23.9	6.0	6.2	4.7	3.5	3.9	29.3	28.8	28.1	27.3	27.3	29.3	28.8	28.1	27.3	27.3
Sprinkler	22.6	22.4	22.5	22.5	21.5	8.6	8.6	7.7	7.4	8.1	31.2	30.4	30.2	29.9	29.9	31.2	30.4	30.2	29.9	29.9
Miscellaneous	15.1	10.2	12.4	12.4	18.8	1.4	1.9	1.8	2.0	1.4	16.5	12.5	14.2	14.4	14.4	16.5	12.5	14.2	14.4	14.4
Total	19.9	19.9	19.3	18.4	18.2	5.3	5.2	5.0	4.8	4.9	25.2	25.1	24.3	23.2	23.1	25.2	25.1	24.3	23.2	23.1

Comparison of Earned Premiums and Underwriting Results for Calendar Years 1939 to 1943 Inclusive†

Line of Business	Premiums Earned (Net as to Reinsurance)					Percentage Increase in Premium Volume*				
	1939	1940	1941	1942	1943	1940	1941	1942	1943	1943
Accident	36,907,101	39,274,971	42,211,072	34,134,928	34,667,241	6.4	7.5	—	1.6	—
Health	21,574,088	29,102,386	38,785,567	10,838,198	10,852,444	34.9	33.3	—	—	—
Group Accident & Health	171,950,001	176,000,158	192,775,509	207,119,316	176,388,165	2.4	9.5	7.4	—14.8	2.6
Auto Liability	72,914,296	75,583,894	77,720,658	83,909,152	88,199,701	3.7	2.8	8.0	6.1	21.0
Other Liability	130,675,733	132,793,697	162,383,878	206,459,618	242,273,230	1.6	22.3	27.1	17.3	85.4
Workmen's Compensation	43,202,032	42,944,688	47,852,225	56,735,288	57,965,329	—6	11.4	18.6	—14.6	12.1
Fidelity	9,312,385	9,270,168	9,334,978	9,662,723	9,843,436	—5	7	3.5	1.9	5.7
Surety	24,071,404	24,062,188	24,962,670	26,487,583	29,016,550	—1	3.7	6.1	9.5	20.5
Glass	7,735,240	7,735,240	8,008,310	8,438,493	8,442,217	—9	3.5	5.1	—	10.2
Burglary	3,710,951	3,915,487	4,452,356	5,489,903	5,634,180	5.5	13.7	23.3	3.5	53.2
Boiler	47,834,828	49,689,778	54,918,563	62,073,656	61,981,819	3.9	10.5	13.0	—2.4	29.6
Machinery	3,052,880	3,449,470	3,793,250	3,944,305	3,581,814	13.0	10.0	4.0	—9.2	17.3
Automobile P. D. & Coll.	4,610,345	4,874,191	6,487,534	8,002,761	9,503,454	6.7	33.1	23.4	18.8	106.1
Credit	2,402,283	2,456,711	2,587,894	2,928,114	3,103,368	2.3	5.3	13.1	6.0	21.9
Sprinkler	613,479	618,567	645,943	717,611	797,591	—5.8	4.4	11.1	11.1	29.2
Miscellaneous	1,820,612	1,642,331	892,942	1,267,492	2,266,740	—15.3	—42.1	41.9	78.8	24.5
Total	619,192,928	640,146,257	714,612,825	786,167,359	802,800,210	3.4	11.6	10.0	2.1	29.7

Per Cent of Net Gain from Underwriting*

Line of Business	After Federal Income Taxes†					Prior to Federal Income Taxes†					Total
	1939	1940	1941	1942	1943	1939	1940	1941	1942	1943	
Accident	8.4	8.7	10.7	11.1	18.3	9.1	11.1	13.6	20.2	12.3	Total
Health	—2.6	—5.0	—1.1	2.6	—2.2	—4.9	—1.0	3.3	—2.1	—2.0	
Group Accident & Health	7.9	5.9	2.0	13.5	10.9	6.8	2.6	18.7	14.9	10.5	
Auto Liability	6.8	9.4	10.6	12.4	11.7	10.7	12.1	17.3	15.4	12.9	
Other Liability	2.4	2.8	1.8	1.7	4.3	1.2	2.3	2.8	5.3	3.1	
Workmen's Compensation	19.8	20.3	23.4	16.1	22.6	23.9	27.4	23.9	23.1	26.5	
Fidelity	14.4	21.5	24.8	20.4	35.9	28.1	30.5	32.7	49.6	31.7	
Surety	—5	—3.6	—3	—4.1	—3.9	—1	—3.5	—3.6	—5.4	—2.6	
Glass	19.4	19.3	19.8	18.1	14.4	21.7	22.4	26.1	20.1	22.6	
Burglary	—1.6	—1.2	—3.2	—6.6	—17.0	—1.0	—3.1	—6.3	—16.7	—5.7	
Boiler	13.7	1.4	—11.7	—1.7	—3.8	2.1	—11.8	1.4	—1.4	—2.6	
Machinery	3.0	—6.7	—16.6	2.5	—4	—3	—6.7	—16.6	4.6	1.7	
Auto P. D.	3.7	6.1	—6.6	5.5	10.8	3.8	8.2	—6.4	10.7	13.4	
Auto Collision	23.7	18.0	18.5	18.2	17.4	26.9	21.0	26.9	25.0	24.5	
Other P. D. & Coll.	10.7	13.5	20.4	24.2	29.2	12.9	14.5	22.0	48.7	29.0	
Credit	15.1	6.7	6.0	—16.6	7.0	18.0	6.8	—1	—	5.1	
Sprinkler	—19.7	—28.0	—95.9	—86.8	—34.1	—18.9	—26.5	—94.6	—35.2	—32.3	
Miscellaneous											
Total	7.3	6.1	5.0	5.0	9.6	8.5	7.5	6.1	13.2	13.3	

Semi-Annual Surety List of Treasury Department Issued

The Treasury Department has issued its new list of qualifying powers of individual surety companies for writing bonds running to the United States government. The underwriting power is equivalent to 10% of surplus to policyholders and is based upon the Dec. 31, 1943, statements.

In the following exhibit the companies are listed alphabetically with a showing of their underwriting authority in the Treasury list of April, 1943, and October, 1943, along with the new exhibit.

There are few major changes in this list as compared with the list of last October. The qualifying powers of 43 companies diminished as compared with the October list while 38 made an increase and six are unchanged.

Hartford Accident again heads the list with qualifying powers of \$3,520,000, an increase of \$39,000. Aetna Casualty is second with \$2,998,000, an increase of \$55,000. Then comes U. S. F. & G. with \$2,626,000, a sizable increase of \$253,000. Fourth place is held by Liberty Mutual with \$2,372,000, a decline of \$175,000, and it is closely followed by Fidelity & Casualty with \$2,324,000, a drop of \$87,000. The other company in the \$2 million class is Maryland Casualty with \$2,158,000, a decline of \$105,000.

	Apr. 1943	Oct. 1943	Apr. 1944
*Acci. & Cas.	\$ 250,000	\$ 250,000	\$ 250,000
Aetna Cas.	2,599,000	2,943,000	2,998,000
Amer. Bond	195,000	196,000	203,000
Amer. Cas.	152,000	180,000	200,000
Amer. Empl.	534,000	635,000	607,000
Amer. General.	161,000	206,000	184,000
Amer. G. & L.	262,000	270,000	272,000
Amer. Indem.	242,000	269,000	245,000
Amer. Motor.	200,000	200,000	225,000
Am. Mut. Liab.	1,000,000	1,115,000	1,162,000
Amer. Reins.	875,000	997,000	995,000
Amer. Surety.	1,552,000	1,900,000	1,778,000
Assoc. Ind.	223,000	264,000	356,000
*Car & Gen.	140,000	158,000	154,000
Cent. Surety	386,000	451,000	413,000
Century Indem.	478,000	520,000	491,000
Columbia Cas.	407,000	448,000	430,000
Comm. Cas.	301,000	405,000	343,000
Comm. Stand.	90,000	94,000	92,000
Cont. Cas.	1,365,000	1,388,000	1,438,000
Eagle Ind.	358,000	413,000	447,000
Empl. Cas. Tex.	144,000	154,000	160,000
*Emp. Liab.	1,552,000	1,771,000	1,661,000
Empl. Mut. Ia.	170,000	170,000	170,000
Empl. Mut. Wisc.	809,000	850,000	850,000
Empl. Reins.	827,000	967,000	1,041,000
Eureka Cas.	72,000	80,000	84,000
*Europ. Gen.	873,000	979,000	1,001,000
Excess	147,000	184,000	176,000
Fid. & Dep.	1,844,000	2,411,000	2,324,000
Fid. & Dep.	1,519,000	1,627,000	1,674,000
Fireman's Fund	455,000	539,000	526,000
Gen. Cas. Wash.	238,000	276,000	257,000
Gen. Reins.	803,000	955,000	990,000
Glens Falls	470,000	547,000	474,000
Globe Indem.	1,000,000	1,250,000	1,250,000
Gr. Amer.	791,000	973,000	972,000
*Guar. N. A.	161,000	166,000	165,000
Hartford Acci.	3,165,000	3,481,000	3,520,000
Home Indem.	340,000	437,000	405,000
Indem. N. A.	1,280,000	1,695,000	1,484,000
Internat. Fid.	180,000	183,000	184,000
Kan. Bk. Sur.	55,000	58,000	56,000
Liberty Mut.	2,044,000	2,547,000	2,372,000
*London Guar.	656,000	680,000	657,000
Lond. & Lanc.	238,000	250,000	246,000
Lumb. Mut. Cas.	700,000	700,000	800,000
Maine Bond	62,000	64,000	64,000
Mfrs. Cas.	409,000	450,000	441,000
Md. Cas.	2,103,000	2,263,000	2,158,000
Mass. Bond	880,000	1,041,000	1,005,000
Merch. Indem.	282,000	337,000	333,000
Mellon Ind.	455,000	562,000	539,000
Metro. Cas.	264,000	329,000	310,000
Natl. Auto	201,000	182,000	209,000
Natl. Cas.	225,000	225,000	250,000
Natl. Surety	1,510,000	1,907,000	1,864,000
New Am. Cas.	1,122,000	1,184,000	1,502,000
New Eng. Cas.	136,000	138,000	138,000
N. Y. Cas.	280,000	358,000	327,000
N. A. C. & S. Re.	255,000	257,000	258,000
Norfolk Cas.	86,000	88,000	86,000
*Ocean Acci.	635,000	738,000	698,000
Ohio Cas.	397,000	399,000	420,000
Pac. Empl.	165,000	154,000	201,000
Pac. Ind.	558,000	653,000	679,000
Peerless	136,000	148,000	149,000
Phoenix Ind.	406,000	402,000	402,000
Preferred Acc.	314,000	300,000	338,000
Royal Ind.	1,527,000	1,702,000	1,793,000
St. Paul Mer.	613,000	685,000	692,000
Seaboard Sur.	41,000	526,000	495,000
Stand. Acc.	1,038,000	1,085,000	1,118,000
Stand. Sur.	229,000	253,000	257,000
Tan Ind.	306,000	305,000	333,000
Texas Ind.	48,000	52,000	42,000
Travelers Ind.	1,500,000	1,500,000	1,500,000
Trinity Uni.	242,000	301,000	256,000
United Pac.	190,000	207,000	190,000
U. S. Cas.	410,000	510,000	499,000
U. S. Guar.	1,101,000	1,244,000	1,220,000
U. S. F. & G.	2,038,000	2,373,000	2,626,000
U. S. Sur.	38,000	38,000	40,000
West American.	81,000	95,000	80,000

CASUALTY EXPERIENCE EXHIBIT

(CONT FROM PRECEDING PAGE)

Part II—Production Cost on Direct Business

Line of Business	Net Premiums Written on Direct Business	Commissions Incurred	Other Production Expenses Incurred	Total Production Expenses Incurred	(Ratio to Premiums Written—Other Production Expenses)
Accident	\$ 37,945,736	\$ 11,538,532	\$ 1,913,230	\$ 13,451,762	30.4%
Health	11,336,555	3,530,215	489,240	4,019,455	35.4
Group Accident & Health	30,184,174	1,967,630	426,484	2,394,114	6.5
Automobile Liability	169,293,035	3,131,299	8,373,638	11,504,937	20.2
Liability (Not Auto)	96,702,343	20,002,760	4,592,542	24,595,322	20.7
Workmen's Compensation	254,087,310	27,471,463	8,630,564	36,102,027	10.8
Fidelity	44,066,189	8,586,506	4,302,780	12,889,286	19.5
Surety	40,868,840	9,754,969	3,889,752	13,644,721	23.9
Glass	10,448,579	3,262,837	664,114	3,926,951	31.2
Burglary	35,406,714	9,153,936	2,288,262	11,442,288	25.8
Boiler	10,883,413	2,297,616	762,995	3,060,611	21.1
Machinery	8,069,308	1,576,773	502,266	2,079,039	19.6
Automobile P. D.	62,117,141	13,578,904	3,220,820	16,799,724	21.9
Automobile Collision	2,517,588	611,997	118,630	730,627	24.3
Other P. D. & Collision	10,945,846	2,066,431	468,550	2,534,981	18.9
Credit	4,470,474	1,066,855	174,851	1,241,506	25.9
Sprinkler	938,338	201,905	76,376	278,281	21.8
Miscellaneous	2,704,695	508,818	38,742	547,560	18.9
Total	\$832,986,278	\$151,309,436	\$40,933,721	\$192,243,157	18.2

N. Y. Automobile Casualty Exhibit

(CONTINUED FROM PAGE 22)

Premiums Earned	Underwriting Loss	Expense	Ratio	Net Gain	Fed. Inc. tax	Claim Adjust-ment	Acquisition and Field Super- vision	Genl. Adminis- tration	Inspection and Bureau	Taxes and fees
REINSURANCE COMPANIES										
American Reinsurance...\$	499,819	46.9	26.2	26.9	9.6	...	18.4	5.8	.3	1.7
Employers Reinsurance...	3,374,982	50.5	50.4	...	...	7.5	38.0	3.9	.2	.8
European Gen. Reins....	1,830,419	40.1	53.0	6.9	2.4	4.8	46.7	1.3	.1	.1
Excess	964,670	71.7	40.7	...	...	4.2	28.5	3.6	...	4.4
General Reinsurance...	1,846,295	61.4	40.9	...	...	8.2	26.5	4.0	.2	2.0
No. Amer. Cas. & Sur. Re.	411	...	75.4	24.6	10.4	...	70.6	.2	...	4.6
1942 Totals	\$ 11,198,805	46.6	44.9	8.5	4.0	5.5	35.2	3.1	.1	1.0
1943 Totals	\$ 8,516,596	52.8	46.4	...	1.1	6.3	35.1	3.4	.2	1.4
Property Damage Liability										
1939 Totals	\$ 47,834,828	44.3	52.7	3.0	...	13.5	26.1	8.1	1.2	3.8
1940 Totals	\$ 49,261,229	53.1	53.7	...	...	14.6	26.7	8.3	1.2	2.9
1941 Totals	\$ 54,918,746	61.6	55.0	...	...	15.5	27.0	8.1	1.3	3.1
1942 Totals	\$ 62,073,673	44.4	51.0	4.6	2.1	13.0	25.9	8.0	1.1	3.0
1943 Totals	\$ 61,981,819	46.5	51.8	1.7	1.3	12.6	26.8	8.5	1.1	2.8
STOCK COMPANIES										
1939 Totals	\$ 13,067,735	40.8	36.0	23.2	...	12.3	13.0	7.6	.9	2.2
1940 Totals	\$ 13,341,771	48.2	37.4	14.4	...	13.2	13.6	7.6	1.0	2.0
1941 Totals	\$ 14,549,086	53.7	39.8	6.5	...	13.7	14.7	8.2	1.0	2.2
1942 Totals	\$ 17,435,332	40.1	36.5	28.4	...	10.8	14.7	7.8	.9	2.3
1943 Totals	\$ 15,538,351	38.6	35.8	25.6	...	10.2	14.7	8.1	.9	1.9
MUTUAL COMPANIES										
1939 Totals	\$ 1,154,509	35.1	44.2	20.7	16.3	5.3	36.3	2.1	.1	.4
1940 Totals	\$ 915,709	40.6	47.2	12.2	4.5	5.8	37.3	2.7	.1	1.3

*These ratios show results before consideration of Federal Income Tax.

Urges Local Planning for Public Works

J. Harry Green, local agent of Janesville, Wis., writes as follows:

"I notice with interest an article appearing in your May 11 issue by W. D. Dean, manager of Bureau of Contract Information, Washington, speaking to the Surety Underwriters Association, regarding the postwar period, particularly in relation to construction.

"Mr. Dean has touched on some very important matters for the surety companies to give consideration to, however, in my opinion, he has missed the one important phase of the postwar construction period. How is this program to be financed?

"It is true that public works construction will be called on as in the past to furnish a substantial amount of employment for those returning veterans and others thrown out of employment who are now employed in defense work. These men will all want a real job at prevailing wages, and will definitely not be satisfied with the employment furnished during the dark days of the Thirties. In order that this may be brought about it seems to me that it is absolutely necessary for all local units of government from the state level

down, to get their financial houses in order so that they may finance their projects without federal aid.

"Some of the largest cities have tremendous postwar public works programs mapped out with no finances in sight to carry them forward. Detroit is a splendid example, as they have in the neighborhood of \$700 million of projects in sight, and their bonded indebtedness is in no shape to go forward with these projects. This means that they will have to call on the federal government for aid, using taxpayers' money from all sections of the country. It must be obvious to anyone that if the federal government is again to furnish any major portion of the monies necessary for postwar construction, they will again control this program to the detriment of the construction industry, the surety companies, and the taxpayers.

Local Planning Needed

"There are thousands of small communities who can and should finance their own projects, and I will give you an example in our small city of Janesville, with a population of 23,000.

"We have a program of postwar public works construction in the amount of \$2½ million, with our local finances in a position to carry it on with no outside help. Much of this program is in blue print and specification form at the present time, and all sites with one exception are acquired.

"I call this to your attention because if local units of government and the Committee for Economic Development fail to do our planning, the federal government most certainly will do it for us. A program of that sort will not be in the best interest of the taxpayers, the surety companies, or the construction

industry, and I believe that if those in the surety business want to contribute something worth while to the postwar period, they will call these matters to the attention of their local public officials. They should also individually become identified with, and contribute something to their local branch of the Committee for Economic Development.

Industry Should Be Ready

"While public works construction projects are probably of greater interest to the surety men, there is another fertile field which should not escape their attention. Manufacturing organizations should also have their engineers and architects preparing their plans and specifications now in order that they, too, may go forward with reconversion as soon as labor and materials are available. In addition to our public works construction program here, we have approximately \$2 million of industrial construction ready to go forward immediately. Better consideration can be given to all types of construction projects by architects and engineers now when they have the time to do so, rather than when it is all dumped into their laps at one time, which would undoubtedly result in many ill conceived projects being constructed.

"These remarks do not apply to the usual federal aid for highway construction but the surety associations can contribute tremendously to a sane postwar construction program if they will approach the matter from this angle."

Use FBI crime reports in selling burglary insurance. Write for samples of "Why You Need Burglary Insurance Protection." National Underwriter, 175 W. Jackson Blvd., Chicago 4, Ill.

ACCIDENT AND HEALTH

Ward Care Hospital Plan Offered in New York

NEW YORK—Group contracts providing ward care in the 127 hospitals having such facilities in the New York area at a cost of 56 cents monthly for individuals and \$1.32 monthly for families are now being written by Associated Hospital Service of New York. The plan is sold only on a payroll deduction basis and is designed for persons of low income who cannot afford the service's regular Blue Cross plan providing similar care in semi-private rooms.

Persons holding ward contracts sent to non-participating hospitals will be entitled to certain benefits which will take care of most expenses within the time limit of the contract. L. H. Pink, president, stated. No income limit has been put on the plan and where a patient is able to afford the semi-private service, he will pay the difference between the contract and the hospital bill.

In addition to bed and board in a ward, the plan covers general nursing, use of operating and cystoscopic rooms and equipment, laboratory examination, use of cardiographic and physiotherapeutic equipment, drugs and medications used in hospital including oxygen, dressings, plaster casts, anesthesia supplies and administration and x-ray examinations.

Roosevelt hospital became the first employer enrolled under the plan when it applied for ward service for 373 members of its maintenance staff, as well as participating in the plan. The hospital will pay the entire membership cost for its employees.

Cal. Hearing on Group Changes

SAN FRANCISCO—Commissioner Garrison will hold a hearing June 6 to consider promulgation of changes in group disability provisions, including an optional short proof and notice of claim clause for use in certain specified provisions and amendment of standard provision 4 under the ruling 25 for family expense disability insurance, and also an alternative wording for certain group standard provisions. He suggested that those desiring to present additional suggestions for changes do so at least five days before the meeting.

Opposes Federal Usurpation

PHILADELPHIA—Warning against the danger of federal usurpation of the insurance business, Commissioner Neel of Pennsylvania before the Philadelphia Accident & Health Association, urged agents to sell the public on the idea that insurance is the keystone of all business and that the bureaucrats should not be permitted to pull out the cornerstone. Unless agents can stop the Wagner-Murray-Dingell bill, they "might as well throw away their rate books," Mr. Neel declared.

Hold "Information Please" Session

The May meeting of the Cleveland Association of Accident & Health Underwriters, scheduled as a round table discussion of sales and underwriting problems in the accident and health field, developed into more of an "Information, Please" program with H. H. Nunemaker, Columbian National Life; K. M. Parsley, Inter-Ocean Casualty; Gilbert H. Knight, Federal Life & Casualty; Walter Sullivan, Monarch Life, and Walter Watt answering the questions.

Messrs. Sullivan and Knight were named as delegates to the National association convention in St. Louis.

Welton Speaks in Chicago

Spencer Welton, vice-president of Massachusetts Bonding, spoke to the Chicago Association of Accident & Health Underwriters on romance in the insurance business.

Neel Committee Holds Fact Finding Parley

HARRISBURG—Commissioner Neel of Pennsylvania as chairman of a sub-committee of the hospitalization and medical service committee of the National Association of Insurance Commissioners held a meeting here Monday of a fact finding nature to enable the Neel committee to prepare a report to the full committee at the Chicago convention of the N.A.I.C. in June. The hospitalization people attending included Dr. C. Rufus Rorem, director Hospital Service Plan Commission of American Hospital Association; E. A. van Steenwyk, executive director Associated Hospital Service of Philadelphia, chairman Hospital Plan Commission; John R. Mannix, director Plan for Hospital Care, Chicago, vice-chairman of the commission; Abraham Oseroff, director Hospital Service Association of Pittsburgh, and L. H. Pink, former New York insurance superintendent and now president of the Associated Hospital Service of New York. The hospitalization group expressed appreciation for the opportunity to present factual statements of the aims and ambitions of the plan. The group was solidly in favor of keeping insurance in the hands of private enterprise under state supervision and in maintaining all insurance on a voluntary purchase basis rather than on what may amount to a compulsory tax basis.

Topper Named Vice-president

Martin Topper, who has been associated with Beneficial Standard Life of Los Angeles for a number of years, joining the company shortly after its inception as Beneficial Casualty, has been named a vice-president of Beneficial Standard and will devote considerable of his time to agency development work.

Plans for Nat'l Industrial

National Industrial of Topeka, which was bought recently by A. M. Quaintance and Associates of Denver, has authority under the burial laws of Kansas to write accident and health insurance and life insurance up to \$500 on any one life. It has authority to increase its capital to as much as \$100,000. At present the capital is \$10,000.

National Industrial was operated for years by Frank W. Thomas, who died several years ago. Since that time Mrs. Thomas has been operating the company.

A new board of directors has been installed for National Industrial and a line of health, accident and life policies.

Grant to Speak in Columbus

W. T. Grant, president of Business Men's Assurance, will address the Columbus Association of Accident & Health Underwriters May 22 on "Taxation and Unemployment." The Columbus Association of Life Underwriters and the Columbus Life Managers & General Agents Association are also invited to attend.

Mr. Grant is planning to hold a regional meeting in Columbus for field representatives of B. M. A. in Ohio, West Virginia, Pennsylvania and Michigan, May 22-23. E. W. Welton, Columbus manager, is in charge of arrangements.

Utah Club Hears Economist

SALT LAKE CITY—At the May meeting of the Utah Accident & Health Club, Julius Bearson, professor of economics at the University of Utah, discussed "Social Security Legislation, with Some Reference to the Wagner-Murray-Dingell Bill."

President Carl R. Marcusen of Pacific National Life advised the members to read and study the special report on social security submitted by the committee on federal law and legislation at

the mid-year meeting of the National Association of Life Underwriters in Buffalo. W. M. Jones, past president, Business Men's Association, spoke along similar lines.

Provide Coverage for Jockeys

TORONTO—The Incorporated Racing Association of Canada is now providing accident insurance for all jockeys which ride on tracks under the aegis of the association in Ontario.

At an approximate annual cost of \$6,500, the I.C.R.A. has approved insurance covering jockeys and exercise boys, the latter gathering one-half benefits. The coverage provides \$2,500 principal sum, \$25 weekly indemnity up to one year and \$1,000 surgical and hospitalization benefits.

Topeka General Agent Retires

Henderson Aley, veteran general agent of Mutual Benefit Health & Accident and United Benefit Life at Topeka, Kan., has retired, due to ill health. Roy Omer, Salina general agent, has taken over that district.

COMPENSATION

Set Up Texas Rules on Premium Discount Plan

AUSTIN, TEX.—Casualty Commissioner Gibbs has warned all carriers that there is an apparent lack of uniformity in Texas in the handling of workmen's compensation risks written under the guaranteed cost premium discount plan. To prevent unfair discrimination and to establish uniform procedure in the handling of that type risks, he has asked that the following procedure be used:

There is to be no discount allowed on the first \$1,000 of the standard premium. The next \$4,000 shall be discounted 7.9%. The next \$95,000 or the premium developed between 13.2% and remainder of the premium 14.8%. No average discounts shall be applied. No discounts shall be applied to the deposit premium.

The deposit premium shall be determined from the standard premium. It is simply what the name implies, Mr. Gibbs says, and the manual rules provide that the company shall retain the deposit premium until expiration of the policy, and then it is to be credited to the final premium adjustment. The ruling that no discounts should be applied to the deposit premium will not preclude use of the appropriate percentages where applicable when the deposit premium is credited to final premium adjustment.

If compensation coverage is elected for executive officers, the election will be made on all executive officers and the remuneration of all will be included in the premium computed. Recognizing that many corporations have executive officers who are inactive in the business, the Texas board suggests that in such cases blanket coverage is preferable. "However, we recognize this question to be more or less of an underwriting problem," says the board's order, "and therefore, it will be permissible for an employer to elect one coverage either with or without voluntary compensation for certain specified officers."

Compensation Improvements Needed, Cal. Official Says

LOS ANGELES—In his talk before the California Insurance Auditors Association, Commissioner Garrison said workmen's compensation insurance will demand more from the companies in order to meet the demands of the public. He said that he took seven months to find a chief assistant because he wanted one who was capable of handling the compensation division, and that now he has found the man, the department is equipped to give good service to companies, agents and the public.

Cecil Lloyd, chief assistant, who fol-

lowed his chief, said the public relations work of the companies in educating the public has been poorly done. He reviewed the investigations, test audits and hearings on workmen's compensation that have been going on, and the differences found between the audits of company auditors and test audits by the department. He said this difference resulted either from plain misclassification and mishandling or lack of clarity in the rules. He declared that poor underwriting, along with the manpower shortage, inexperienced men and pressure from without had put the auditor "behind the eight ball." Touching on the minimum rate law he said every misclassification and mistreatment results in a rate structure dislocation; that "practical" underwriting and "practical" auditing are unlawful, discriminatory, short-sighted and dangerous.

Mr. Lloyd made it plain that the ruling issued last November, that where any question arises regarding a risk a written authorization for action be obtained from the California Inspection Rating Bureau, will be enforced. He said the department did not wish to be arbitrary, but that deviations of any kind should be made in the proper manner through the bureau.

He said several ideas had been proposed to aid in bettering conditions, including a central auditing bureau as part of the rating bureau and licensing of auditors. He said the department does not know whether either of these ideas should be adopted, but it does know that the responsible and enterprising people in the business are going to insist upon improvement and progress.

Christopher Okla. Secretary

H. R. Christopher, attorney of Enid, Okla., has succeeded Frank Grayson as secretary of the Oklahoma industrial commission. Grayson resigned to enter the race for congress in the fourth district.

CHANGES

Adams Claim Head of United Nat'l. Ind.

Charles J. Adams has been appointed superintendent of claims for United National Indemnity, newly formed casualty company of the National Fire group.

Mr. Adams served Southern Surety successively as assistant and later as claims manager in Omaha and Atlanta. From 1932 to 1935 he was claims manager of Ohio Casualty. In 1937 he joined the Hawkeye Casualty, first in the claims department at the home office, then as manager at its Michigan office following acquisition of United Automobile by Hawkeye. He is admitted to the bar in Nebraska and Iowa.

Megrew Joins Ohio Casualty in Executive Capacity

Dan Megrew, until recently associate manager of Fidelity & Deposit in Detroit, has joined Ohio Casualty and will assume executive duties at the home office in June.

Mr. Megrew entered the surety business in 1914 with Aetna Casualty. Returning from service in the former war, he completed his law studies and was admitted to the New York bar. In 1933 he joined Fidelity & Deposit in Detroit.

Harold F. Bent, who has been at Detroit for Employers' Liability the past seven years, has been appointed special representative of Ohio Casualty in the same territory. He will work out of the Detroit office, assisting Manager T. H. Zimmerman in production. Mr. Bent has been traveling in Michigan for Employers.

Employers Los Angeles Changes

LOS ANGELES—P. J. Gauthier, who has been superintendent of the

bonding group has been...
S. M. H...
H. O. H...
Ray...
represent...
transfer...
Walter...
Kansas...

Open...
Unite...
sterdam...
claim of...
general...
manage...
of U. S...

Josep...
Aetna C...
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perinter...
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XUM

bonding department of the Employers group in Los Angeles for several years, has been named assistant resident manager. He will continue to devote most of his time to the bonding department. S. M. Kabateck also is serving as assistant manager under Resident Manager H. O. Ross.

Ray M. Walters has been named field representative succeeding J. E. Tucker, transferred to Portland, Ore., as manager of the service office there. Mr. Walters had been with Employers in Kansas City and Portland.

Open Atlanta Claim Office

United States Casualty and New Amsterdam Casualty have opened a branch claim office adjoining U. S. Casualty's general offices in Atlanta. Ralph Lain is manager. Frank B. St. John is manager of U. S. Casualty.

PERSONALS

Joseph E. Lewis, vice-president of Aetna Casualty, Automobile, and Standard Fire in charge of the New York office since 1937, observed his 25th anniversary with the group. He entered insurance as a claim adjuster for Union Casualty, later becoming assistant superintendent of the plate glass and burglary department of Prudential Casualty in Indianapolis. He joined Aetna Casualty in 1919 as special agent at Indianapolis. He served as superintendent of the bond department at Lansing, Denver, St. Louis, Indianapolis and Philadelphia and was manager of the Washington office 1932 to 1936, when he went to New York as assistant vice-president and chief executive assistant to Vice-President John S. Turn in New York and then vice-president and general manager. He is a former president of the Casualty & Surety Club of New York.

Julian Neal, assistant manager at Chicago for F. & D., and Mrs. Neal announce the arrival May 12 of a son, who has been named Thomas Neal.

Elmer J. Edwards, manager of the accident and health department of Coleman & Co., San Antonio, recently observed his 35th anniversary in accident and health insurance. He was presented a plaque in appreciation of his work by Provident Life & Accident, signed by James E. Powell, vice-president. He also received many congratulatory messages and a number of floral tributes.

More than 100 casualty and surety executives tendered a farewell luncheon

La Guardia Plan Gets \$150,000 Endowment to Start

NEW YORK—Mayor LaGuardia announced that the New York Foundation had offered \$150,000 for launching his proposed health insurance plan to cover all persons earning up to \$5,000 in New York City. He said other organizations would make up the balance of the \$250,000 estimated as needed to start the plan.

Praising the approval by the Medical Society of the State of New York of the new United Medical Service, Inc., a merger of two presently existing plans, which will provide full coverage for persons under \$2,500 income and indemnity for those above that bracket, the mayor said it was "a step in the right direction." Directors of the La Guardia plan will be announced this week or next in a certificate of incorporation, he said.

He defended his \$5,000 income ceiling by asserting that with present living costs, a \$2,500 limit "provides too small a margin between those who go to hospitals free and other persons."

The New York Foundation promotes activities in medicine and public health, social welfare and education. Arthur Hays Sulzberger is chairman and former Gov. H. H. Lehman, vice-president.

to **C. W. Fairchild** Tuesday on his retirement as general manager of the Association of Casualty & Surety Executives. Kenneth Spencer, executive director of the Royal-Liverpool-Globe group and president of the association, presided. Manager E. C. Stone, Employers group, spoke, and Manager J. M. Haines, London Guarantee presented Mr. Fairchild with a watch suitably inscribed. Mr. Fairchild responded. Staff members of the association gave Mr. Fairchild a luncheon on Wednesday with Ray Murphy, general counsel, as toastmaster. General Manager J. D. Dorsett and Mr. Fairchild spoke.

DEATHS

Howard D. Plimpton, 67, formerly Milwaukee manager of Aetna Casualty and with the company at Hartford, in the field and in Milwaukee for 45 years,

died at his home in Milwaukee. He was born in Hartford, graduated from Trinity College there, joined Aetna at the home office and became a pioneer in the liability field. He was one of the original members on the Wisconsin Compensating Rating & Inspection Bureau, and active in Milwaukee casualty associations.

J. C. Russell, district manager of the State Farm Companies at Manhattan, Kan., and vice-president of the life underwriters association there, died.



After This Fire RUBBER WAS MINED IN MASSACHUSETTS

Shortly before Jap bombs crashed into Pearl Harbor, a fire in Fall River gutted 30 buildings containing between 5 and 10 per cent of the nation's rubber supply... 18,000 tons of raw rubber.

"A total loss," the rubber experts decided.

But the insurance industry, realizing the nation's need for this priceless commodity, immediately launched one of the strangest and most successful salvage jobs of modern enterprise.

For 10 months, salvage crews working in three shifts with giant steam shovels "stripmined" the heat-softened

rubber. And when they had finished the job, 10,000 tons had been rescued from the junk heap, ingeniously cleansed of debris and muck by live steam, and shipped to rubber manufacturers.

Through this wartime exhibition of enterprise, the insurance industry placed that "lost" rubber in fighting service on tanks, planes, jeeps, and Victory ships.

Since then, tons upon tons of leather, lumber, camouflage nets, canned foods, burlap and other front line priority materials have been salvaged by the insurance industry... a vital service to our nation at war.

A Comprehensive



Reinsurance Service

Casualty and Bonding Lines

Fire and Allied Lines

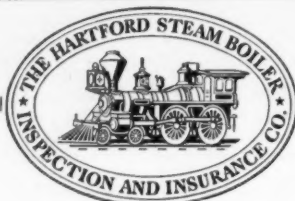
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What Helps the Client Helps You

AGENTS and Brokers who use Hartford Steam Boiler find both profit and satisfaction in their Boiler and Machinery accounts.

Because the Company specializes in this exacting line, its selling and servicing assistance is expert. Its special agents as well as its engineers are men who give their undivided attention to the problems of power-plant protection. This makes for satisfaction and good-will throughout the policy term, and paves the way for profitable renewals.

**The Hartford Steam Boiler Inspection
and Insurance Company • Hartford, Conn.**

For Power-plant Insurance, It Pays to Choose the Leader

SURETY

Allen Sees Big Fidelity Increase

There should be a substantial increase in fidelity premiums after the war, E. M. Allen, executive vice-president of National Surety, said in his talk at the Kansas City casualty and fidelity sales congress Wednesday. He bases his belief on a comparison of what happened after the first world war. In 1914 total fidelity premiums of all companies were less than \$10 million annually. There was a slow increase in business written in 1917, and then the curve rose sharply to a peak of \$45 million in 1930. This dropped about \$5 million a year and remained more or less static during the depression, and was approximately \$44 million in 1943. This is an excellent record considering that there have been drastic rate reductions in fidelity premiums in the past 10 years.

Starting from a base of \$44 million in 1943, which compares to the base year preceding the last war of \$10 million in 1914, Mr. Allen predicted a gradual and steady rise of fidelity premiums after the present war. He said the field is largely untouched. Many banks whose lack of bond coverage was reduced drastically after 1929 found themselves in 1941 with deposits doubled and tripled but without any increase in the amount of their bond or burglary protection. Banks have made loans under the war program to mercantile establishments that have no honesty insurance. The time may come, he said, when banks and credit men will insist upon customers carrying blanket honesty and all risk coverage on money and securities as a standard business practice.

Tax Anticipation Warrant Decisions Summarized

Several cases involving tax anticipation warrants have been decided in Illinois, Louis L. Dent, Chicago attorney, told the Chicago Surety Claim Men's Association. In some instances, where taxes were insufficient to cover the anticipation warrants, there have been attempts to hold municipal officers liable and to collect under the bonds on such officers.

Mr. Dent summarized the results of the decisions in the Illinois supreme court. Where tax anticipation warrants have been issued against the tax levy for a given year, neither the warrants nor the interest can be paid by the municipality from another tax levy for a different year, he said. A warrant is not a debt of the municipality but only an assignment of the taxes against which the warrants were issued. Where the warrants or interest remain unpaid in whole or part because of exhaustion of taxes against which they were issued or insufficiency of such taxes the unpaid warrants as to the municipality must remain unpaid, he said. The warrants are in effect only legal assignments of the tax money.

The purchasers of tax anticipation warrants are charged with the knowledge that the warrants did not create any liability against the municipality which issued them, he said.

ASSOCIATIONS

Radio Litigation Viewed

LOS ANGELES—Litigation involving radio stations and networks was discussed before the Casualty Adjusters Association of Southern California by Donn B. Taturh, attorney.

Hundley Virginia President

The Association of Casualty & Surety Underwriters of Virginia at its annual meeting in Richmond elected William

P. Hundley, Loyalty group, president; D. Orville Laby, New Amsterdam, secretary; H. M. Caskey, Aetna Casualty, treasurer; L. S. Ames, Travelers, assistant treasurer. Mr. Hundley succeeds Fred C. Robertson, Fidelity & Deposit.

The Des Moines Casualty & Surety Club will hold its meeting of the season May 22.

Detroit Wins Indemnity of North America Trophy

Officials of Indemnity of North America at a dinner in Detroit presented the John A. Diemand Trophy for 1943 to the service office there. The award was made for all-round excellence in casualty and surety production, underwriting and management, in competition with 27 other service offices in the United States. Los Angeles was second and the Philadelphia metropolitan department was third.

Stellwagen and Roberts Present

Presentation of the trophy was made by Herbert P. Stellwagen, executive vice-president, and C. S. Roberts, vice-president. It was received by Arthur Eliason, manager of the Detroit office, and E. O. Warren, casualty manager. Employees at Detroit attended the dinner.

National Bureau Makes Few Changes at Meeting

At the annual meeting of the National Bureau of Casualty and Surety Underwriters in New York William Leslie, general manager, and E. E. Robinson, secretary, were reelected.

Aetna Casualty, American Surety, Bankers Indemnity and New Amsterdam Casualty are new members of the executive committee. Officers of the bureau in addition to Messrs. Leslie and Robinson were reappointed. Company members of the committees remain the same except for London Guarantee on the legal committee, replacing Massachusetts Bonding; Travelers and U.S.F. & G. on the automobile rating committee, replacing Aetna Casualty and Massachusetts Bonding; Fidelity & Casualty and Fireman's Fund Indemnity, burglary rating, replacing Ocean Accident and Great American Indemnity; Fidelity & Casualty and Massachusetts Bonding, compensation and liability, replacing Royal Indemnity and London Guarantee, and London Guarantee and Bankers Indemnity, glass, replacing Royal Indemnity and Firemen's Fund Indemnity.

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Big Crowd for K. C. Congress

**More Than 500 Attend;
F. W. Potter Opens Affair
with Talk on Burglary**

KANSAS CITY—More than 500 attended the annual sales congress of the Casualty & Surety Underwriters Association here Wednesday. Cliff Johnston, president of the association, gave the address of welcome, and R. H. Hawley, manager of Travelers, led in the singing of the national anthem. F. G. Packwood, Massachusetts Bonding manager, was general chairman of the affair.

Francis W. Potter, field supervisor of Aetna Casualty, opened the talks with his discussion of burglary. The \$36 million of premiums on the line in 1943 was a 50% increase in a decade, he said. Prospects are everywhere, and few of them have been approached. Burglary policies are easy to sell, renew readily, and pay a good commission, he stated. The residence and outside theft form for the home owner and the broad form money and securities policy for the commercial concerns are "naturals," he declared.

Questions and answers followed each talk. J. M. Downey, chief underwriter Aetna Casualty, Kansas City, acted as chairman of the panel on comprehensive general liability, in place of W. J. Welsh of Mann, Barnum, Kerdolff & Welsh.

Arthur H. Brayton, manager Des Moines convention bureau, said that adaptability and ingenuity are the keynotes of the many possibilities offered to casualty and surety underwriters in now and after the war.

The addresses of the other speakers are treated elsewhere in this issue.

Sawyer Urges Real Comprehensive P. L.

(CONTINUED FROM PAGE 21)

considerable judgment in making rates for risks whose hazards are less serious than those risks on which present experience figures are based. It would also require averaging of minor hazards to a much greater degree than is now the practice, he said.

To meet the problem of property damage liability, Mr. Sawyer suggested abolishment of the distinction between bodily injury liability and property damage liability, use of a single insurance clause and a single limit per accident.

Precedent for Step

Most of these suggestions have been used in the revision of the comprehensive personal liability policy which is now in the mill, he said. The difficulties consist largely of rates.

Liability insurance always has been vulnerable in litigation because of the practice of offering the policyholder less than complete coverage, Mr. Sawyer said. The policyholder usually says he thought the policy covered the accident, or told the agent he wanted that coverage. Under comprehensive the basis for misunderstanding would be partly removed and the insurance position in litigation materially strengthened.

Eventual provision of comprehensive at less cost than the aggregate cost of separate covers would mean increased sales that would far exceed the effect of reduced premiums, he said. All policy holders would buy, for instance, property damage liability protection. Very few buy that cover at present.

The changes must be brought about gradually, and the job involves study of every manual classification and care-

ful exploration of anticipated results. It would require cooperation between carriers and the support of producers. It would remove the producers' present worry about uninsured losses. Mr. Sawyer suggested that now is a good time to start such changes because undoubtedly there will be a general revision of rates after the war as conditions revert to normal.

New Navy Contract Awards

LOS ANGELES—The William Simpson Construction Co.-W. E. Kier Construction Co., a joint venture, has been awarded the contract for the Seal Beach naval ordnance depot, at their bid of \$3,218,077. The bond on the contract, when and if written, will be executed by Fidelity & Deposit through its Los Angeles office.

Guy F. Atkinson Co. was awarded the contract for the waterfront construction at the Seal Beach naval plant at its bid of \$54,000. Fidelity & Deposit also will execute those bond, when and if written.

The H. M. Golden Construction Co. has been awarded the contract for a quay wall at the San Diego naval station, at its bid of \$1,810,825. The bond for the contract will be written by Pacific Indemnity.

Hebble Cincinnati Buckeye Union Head

CINCINNATI—Charles Hebble, who has been with the Thomas A. Hanlon general agency of Employers Liability here for almost 16 years, has become manager of the Cincinnati office of Buckeye Union Casualty, succeeding George Salzman. The office has supervision of Hamilton county, Ohio, and part of northern Kentucky.

A son of C. R. Hebble, prominent Cincinnati insurance man who founded the "Fire, Casualty & Surety Bulletins" of THE NATIONAL UNDERWRITER in 1929 and served as editor until he died late in 1933, Charles Hebble graduated from Ohio State University in 1928, with a major in insurance. He entered the Hanlon office as soon as he finished college and worked his way up the ladder. He went with Buckeye Union as an underwriter in the home office at Columbus for a short period in 1934; but soon returned to the Hanlon office, so virtually his entire career has been spent there. His father had also been a special agent for Employers Liability before opening his own agency and his

brother, Howard Hebble, now operates that agency in the Hanlon office.

Virginia Taxicab Must Insure

Letters are being sent by the Virginia corporation commission to all taxicab operators in the state, calling attention to the new requirement for insurance on all taxicabs by July 1. Under a bill passed by the last legislature, taxicab operators must file insurance with \$5,000/\$10,000 limits unless evidence is given that the operator is a self-insurer under an ordinance of the city where his home office is located.

N. J. "Comp" Premiums Up 17%

NEWARK—At the annual meeting of the Compensation Rating & Inspection Bureau of New Jersey. New Jersey Manufacturers Casualty, Lumbermen's Mutual Casualty, Travelers, and Globe Indemnity were elected to the governing committee. There was an increase in written premiums in 1943 of 17%. Twenty of the leading companies wrote more than 80% of the business and 35 leading companies more than 90%.

The "Pictograph's" visual sales aids gets the A. & H. apps. \$3.00. The A. & H. Bulletins, 420 E. 4th St., Cincinnati 12, Ohio.



It happens every day
IN DETROIT

Smart Detroit underwriters realize that it is foolish to take chances on new risks when they can phone Cadillac 3707 and get a full report on the past replacement experience from the exclusive Peterson Survey Service.

Not content with its reputation of being first in speed . . . dependability . . . performance in plate glass replacements in Detroit, Peterson Glass Company maintains a service file showing past replacement records on over 20,000 stores in the Detroit area. Every day underwriters contact us for this information which is so vital in detecting poor risks . . . and as a result they are able to reduce their loss ratios and increase their underwriting profits.

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PETERSON GLASS CO.

2833 JOHN R ST., DETROIT

National Bureau Experience Exhibit

(CONTINUED FROM PAGE 21)

results. Accident statistics issued in recent months show an increase in accidents and in fatalities. If those data should prove to be indicative of conditions on insured business throughout 1944, the underwriting profit might easily be converted to a loss.

Automobile property damage volume shows little change from the previous year and the line indicates a very small underwriting profit.

Workmen's Compensation

The net written premiums for 1943 in compensation amounting to over \$248 million represent an increase of over \$23 million. The line shows an underwriting profit somewhat greater than that for the previous year. The 1943 data do not reflect the current rate levels. They reflect only partially the many rate reductions which were put into effect in 1943; they reflect only to an insignificant extent the effect of the rule with respect to the treatment of overtime wages, and they do not reflect to any extent the rate

reductions which have been put into effect thus far this year.

The expense ratios for compensation show a reduction. In a large measure this can be attributed to the lower expense ratio actually incurred in handling large risks and further supports the contention of the stock carriers of the necessity for the program of graded expense which was made effective generally throughout the country in the past year, the National Bureau states.

While fidelity shows some increase in premium volume the surety line shows a pronounced decrease. The net written premiums for 1943 amounting to \$37,700,000 represent a decrease of over \$20 million from the previous year. As a result the underwriting results are distorted. The losses are distorted by the effect of salvage recoveries in 1943 reflecting substantial recoveries on losses of previous years when the volume of business was much greater. The incurred expenses are also distorted when related to earned premiums since the earned premiums under these conditions greatly exceed the written premiums. As a result, the commissions incurred for the line appear abnormally low in relation to earned premiums. While the results on the line as a whole were very favorable these distortions all operating in the one direction result in an abnor-

mally high apparent underwriting profit not indicative of actual conditions in the line.

As a result of the rewriting of much of the boiler and machinery business the written premium shown for these lines is substantially greater than the earned premium. Consequently, the item of commissions incurred appears to be unduly large when related to the earned premium, and this in turn distorts the underwriting results. On the data as actually reported an underwriting loss of approximately 10% is shown for boiler and machinery combined. In a large measure this apparent underwriting loss may be attributed to the distortion.

Compete Strongly for Ia. State Employees Cover

DES MOINES—Earnest competition is under way among insurance company representatives in an effort to negotiate contracts with departments for selling hospital insurance to state employees.

The way was opened for signing up department employees by groups, through an agreement reached with State Comptroller Porter who will make deductions for the hospital insurance in the employees paychecks. Porter will make out one check for the insurance company. In this way, virtually one company can obtain the entire business of a state department.

The legislature paved the way for payroll deductions by passing an act authorizing the state treasurer to make the deductions. Through an error the state treasurer was named instead of the comptroller and this fact caused a controversy in which the state executive council side-tracked the issued by shelving offer to set up group insurance with one company. The issue has been dead until recently when Porter agreed to make the deductions by departments.

The first department to sign up is the state industrial commission which is using Hospital Service, Inc., of Des Moines.

The banking department has had a group life policy in effect for some time with the comptroller making the payroll deductions. This policy is through Occidental Life which firm is now trying to negotiate a hospital policy with the banking department employees.

Several other departments are signing up for hospital insurance through Business Men's Assurance. This company has about completed negotiations with the state highway patrol members and the attorney general's office.

Mich. Agents Back Drive

LANSING, MICH.—Michigan Association of Insurance Agents will take an active part in the "preventive maintenance safety campaign" to be staged in May, according to Waldo O. Hildebrand, secretary-manager. All local boards are being requested to distribute promotional circulars featuring the warning "You're Only a Foot from

No Takers for Big PL Line on Helicopter Landing at Broad and Wall Streets

NEW YORK—Aviation underwriters are occasionally asked to quote rates on some highly unusual risks. During the recent fourth war loan drive one of the committees considered having a helicopter land at Broad and Wall streets to deliver a message from President Roosevelt or some other high government official. This intersection is directly in front of the sub-treasury building, scene of many financial district rallies.

The committee wanted public liability insurance with limits of \$1,000,000/3,000,000 but the underwriters were not interested, fearing that with a big crowd on hand there would be a good chance of a heavy loss under the policy. The intersection of Broad and Wall is fairly spacious for downtown New York and it would be theoretically possible to land a helicopter on the street there, since the machine is capable of vertical descent. The greatest risk would be the mental hazard for the pilot in negotiating such a narrow space with the whirling blades that support the helicopter. There would also be the danger that sudden gusts of wind swirling around adjacent buildings might affect the machine's flight beyond the pilot's power to compensate.

Bursting of Radiator Not Explosion

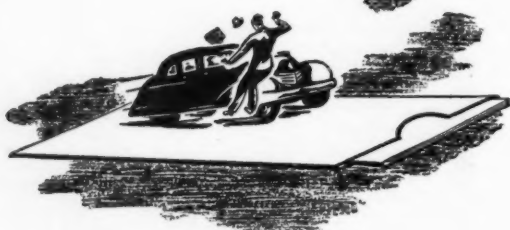
DALLAS—The bursting of a hot water radiator heating system, with resultant scattering of metal splinters from the radiators and pipes over the house, does not constitute an explosion, a jury in the federal court here decided. The plaintiff, James R. Bower, was denied judgment for an estimated \$8,196 damages to his residence.

The jury returned a verdict in favor of Aetna Fire, which had written a \$25,000 explosion policy, saying that it was "not an explosion as meant by terms of the policy."

Develop Insurance Habit

"Now is the time, if there ever will be one, to teach people in your community the insurance habit. Once people become accustomed to the idea of paying for protection, they hesitate long and seriously before doing without it. Teach them now, while they have the money and a particularly great need, and they'll be profitable clients for years," Connecticut Indemnity urges in presenting a new sales campaign on automobile insurance.

Trouble" and devoted to stressing the need for checking of brakes. The Saginaw board already has agreed to distribute 25,000 of the circulars through schools and it is anticipated that other local associations will undertake similar programs.



PAYMASTER

(Non-Occupational Accident Policy)

... a new, big income producer

Helping our agents . . . that is our full-time wartime job. That includes offering new timely policies. Take, for example, our popular PAYMASTER Policy. It was born of this war and in the span of a few brief months it has proven a bigger income-producer than some policies which have been around for years. Not in 40 years has there been a policy written by our company which has won so much widespread interest—and business—for our agents everywhere. This non-occupational personal accident policy, available to every employed man or woman between the ages of 15 and 65 at a \$12.00 flat annual premium, has all that it takes to produce extra, easy income, **TODAY!**

Capital, \$1,500,000.00



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OF READING • PENNSYLVANIA

H. G. EVANS, President

CASUALTY • FIDELITY • SURETY



Established 1915

DOCTORS, LAWYERS, ALL
OFFICES NEED

BURGLARY INSURANCE, TOO!

LET US SHOW YOU HOW TO SOLICIT
THIS PROFITABLE FIELD.

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Florida Agents Annual Convention

(CONTINUED FROM PAGE 6)

that state socialism demands state ownership, communism is collectivism, and totalitarianism, which was familiar to Plato and Aristotle, does not recognize the human being at all. Mr. Gould pointed out that relationship exists between these isms and consumer co-operative movement. He concluded with the warning that "today laborers are well fed and now is time to improve their understanding, to educate management and the general public on the significance of private enterprise and the profit motive."

Discusses N. Y. Fire Policy

The new New York standard fire policy was discussed by Assistant Secretary Travis of the Southeastern Underwriters Association, and George W. Scott, educational director of National association, discussed the educational program. The association endorsed recommendations made by Mr. Brown at mid-year meeting of the national board of state directors at Jackson, to devise ways for providing for the return to civil life of those now in the armed forces who previously were in the insurance business.

President Fred A. Moreton of the National association urged individual agents to take an active personal part in the coming political campaign and speak up for free enterprise. The insurance business cannot afford to remain silent for the benefit of opportunists and demagogues, he declared.

Bailey-Van Nuys Bill Back to Subcommittee

(CONTINUED FROM PAGE 5)

big government. Until that is done they won't be free.

"The fire insurance companies which have built up this system of regional, national and international combinations to administer the business of insurance, instead of insisting that they have a blank check to do what they please, to write their own ticket, should come to congress and say, 'this is what we ought to be permitted to do' and give the reason why."

O'Mahoney's statement to the judiciary committee follows in part:

"The evidence before this committee on the pending insurance bill demonstrates the existence of huge self-established interstate and international combinations which regulate and regiment the insurance business in the utmost detail in the interest of the companies."

"It is charged by the insurance department of the state of New York that one of these organizations, the Interstate Underwriters Board, is operated in such a manner as to discriminate against small business and in favor of big interstate business by allowing the latter discounts ranging from 19% to 61% below the rates paid by small businesses."

"It is charged that grossly excessive rates are being collected for the insurance of carriers and risks in interstate and foreign commerce by the national

and international combinations which control aviation insurance and that the manner in which these combinations manage the insurance business constitutes a serious obstacle to the development of air commerce by American interests."

"It is charged that the Interstate Underwriters Board evades state regulation of rates by substituting its own judgment for that of the rating bureaus recognized by state law; that insurance policies are manipulated on interstate policies in such a manner as to conceal from the states the actual situation within their borders."

"Fire insurance rates as charged in the several states bear no relationship to the loss ratio according to the figures before the committee which figures tend to show discrimination among the states and among cities in the same state, and a disregard of the improvement of protection against fire by local communities. These and other allegations of monopolistic practices are supported by the texts of the constitutions and by-laws of the national and regional combinations and by the sworn report of an examiner of the insurance department of New York. There has been no response except that in the form of argument by the

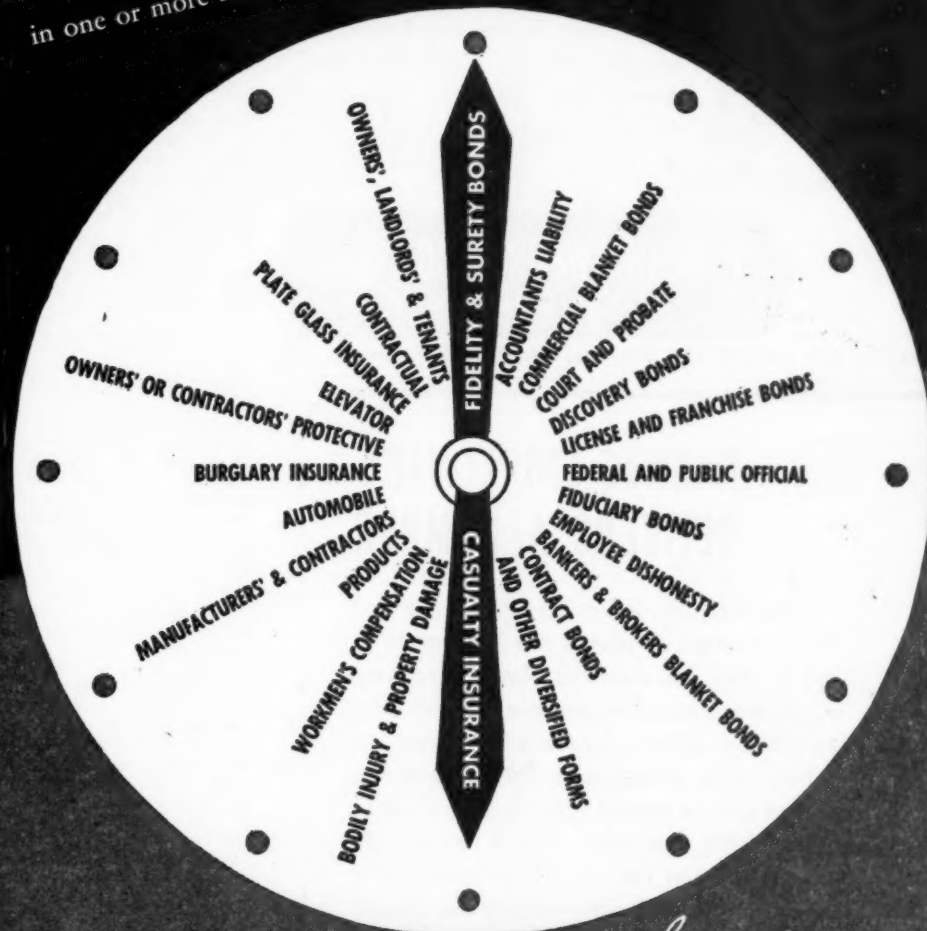
president of the Insurance Executives Association which is itself the principal instrumentality for carrying into effect the restrictive policies of the interstate combinations that dominate the fire insurance business.

Asks "Independent Study"

"In short, the committee should institute an independent study of the facts by impartial and competent investigators before it votes on this bill to divest the congress of the power to protect the public interest by prohibiting monopolistic practices in the national and international operation of the huge private

Round the clock Protection

Every second of the day, 24 hours a day, vital protection in one or more Fidelity, Surety and Casualty forms is provided to thousands—



Round the clock Service

Every hour of the day, agents of American Surety and New York Casualty Companies stand ready to provide more service . . . in more ways . . . to more people.

American Surety Company

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Insurance Man with Sales Ability

A large Chicago Agency is interested in the services of a well-posted man, familiar with both casualty and fire insurance, to take over and service a sizeable volume of business. Also expect sales ability to create new business. All applications will be treated in strict confidence. Position is permanent; offers splendid prospects for future development. Please give full details in reply so personal interview can be arranged. Address V-98, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Ill.

Insurance salesmen get around— hear a lot of stories!



★ Here's a wartime job we all can do. It's simply this: Be a rumor-warden. Every time you hear a story that sounds like it originated in Mr. Goebbels' Berlin lie machine, squelch it then and there.

Urge whoever repeated the bit of rumor, "hot tip" or "they say" variety of story not to pass it on. Insurance men make a wide variety of contacts among men in all lines of business. If all of us keep our ears open for stories which might in any way benefit our enemies, and stop those stories from spreading, we can do a great service for our country.

R. N. CRAWFORD & CO., Inc.

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Headquarters for "OUT-OF-THE ORDINARY" Contracts

PACIFIC EMPLOYERS DELIVERS A BOMBER

... Not literally, of course. We are not manufacturers of planes nor instructors in flying. Yet, because the aircraft industry is well represented among our assureds, the work of our safety engineers in keeping accidents at a minimum in those plants has played a large part in keeping aircraft production at a maximum. This is Pacific Employers' part in the war effort (aside from purchasing War Bonds)—doing our utmost in the work for which we are best equipped, for those who are likewise best equipped to give the United Nations the tools for ultimate Victory.

PACIFIC EMPLOYERS INSURANCE COMPANY

VICTOR MONTGOMERY, President

A Capital Stock Casualty Insurer

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insurance combines the existence of which is not denied."

Foes of the rights bill assert that it has been killed by recommitment to the subcommittee. However, its friends say they are still hopeful.

W. C. Hussing, chairman A.F.L. legislative committee, says he thinks recommitment settles the matter; that he expects neither further hearings nor action. However, if there are hearings, he says A.F.L. will want to be heard.

Representative Sumners, Texas, chairman house judiciary committee, which recommended the states rights bill, expressed great surprise to THE NATIONAL UNDERWRITER at the Senate committee's action, and speculated as to its cause. However, his position has been that there should not be legislation on the subject while it is pending before the Supreme Court as it is during the court's recess from May 15 to 22.

Fatigue Cut by Office-Work Study

(CONTINUED FROM PAGE 7)

trates the pre-position phase of this principle.

The second principle is that equipment should be designed to relieve the hands of work that can be done as well by the feet or other parts of the body. Though frequently neglected in office work, this principle can be applied to such equipment as adding machines, calculators and the like which under certain conditions may be improved through control with a pedal. The Addressograph has already applied this principle, the machine being operated by one foot, leaving the hands free to insert and remove the material being addressed.

Finger-Load Distribution

The third principle is that equipment should be designed to distribute finger load in accordance with the inherent capacity of each finger and that handles and other controls should be designed to permit the maximum hand-surface contact. The recently publicized but actually well established simplified keyboard for typewriters illustrates the first part of this principle, while the activating bar of adding machines, which can be hit with the side of the hand, illustrates the second. Another point in the third principle is that equipment should be designed to cause the least body movement. Many desks violate this principle because it is necessary to bend the body to pull the bottom drawer open. This could be remedied by moving the handle closer to the top of the drawer.

The three principles applying to the work-place are, first, to arrange the work within the proper working area, with tools located at definite, fixed points on the work-place layout so that they can be reached without searching. Mr. Derby exhibited a film showing how the stapling of papers was improved by placing materials in a logical manner for sequence of operations. The second principle is that good conditions for posture and sight should be provided. He showed several racks specially designed to hold reports, material to be copied, and other data in the position where it could be seen with the least strain on the clerk's muscles and eyes. In some

cases it was found that it affords a clerk considerable relief from fatigue if he can do part of his work in a standing position.

The third work-place principle is that wherever possible a gravity feed of incoming material and a drop delivery of the finished work be employed. This principle has somewhat limited application in clerical work but where mail is sorted gravity feed should be used wherever practicable.

As to the group of principles respecting the operator himself, the first is that the operator should use motions which are of "low degree," meaning that they are not complex; motions which are curvilinear rather than straight-line, and those which utilize momentum where it is practicable. The utilization of momentum is not applicable to clerical work but may be used in the shipping room, however, which may come under office management.

The second principle, that motions should be rhythmic and employ those muscles that coordinate naturally, applies particularly to operators on machines such as key punches, adding machines, comptometers, etc. Where it is employed it has been found that operators improve their work and are less fatigued if they develop a rhythm.

The final principle regarding the operator himself is that both hands should be used if possible, and used with symmetrical, simultaneous motions in opposite directions.

Mr. Derby showed a film which depicted five methods developed for placing inserts in envelopes. This operation involved placing a check and insert in a window envelope. The method originally used permitted 420 insertions an hour. By progressive improvements this rate was raised to 603 insertions an hour, then to 774, then 1,212 and finally 1,387, the latter figure being a 230% increase over the original method.

The association voted to hold its annual outing at the Westchester Country Club, Rye, N. Y., June 16. The meeting was conducted by A. A. Dahlberg of Sun, association president.

Vyse Assistant Manager of Home Indemnity in Chicago

Home Indemnity has appointed Vernon H. Vyse, formerly special risk counselor in the middle west for Lumbermen's Mutual Casualty, as assistant manager in Chicago, where he will have supervision of casualty lines. Mr. Vyse entered the casualty business in 1923 with Maryland Casualty in Boston following his graduation from Suffolk University, Boston, and his passing of the state bar examination. The same year the company sent him to Springfield, Mass., as branch claim manager. Going with Lumbermen's in 1928, he served as branch claim manager in New Haven. He was transferred to Milwaukee as state agent in 1932, later becoming special risk counselor.

At its annual meeting the Insurance Women's Club of Denver elected Clara Cameron, Home, president; Lois Collins, Springfield F. & M., vice-president; Betty Foehl, Royal, and Phyllis Lane, Colorado agency, secretaries, and Sarah Schreiner, Van Schaack & Co., treasurer.

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A GOOD YEAR TO CONNECT WITH A GOOD COMPANY

INSURANCE NEWS BY SECTIONS

MIDDLE WESTERN STATES

Cartwright Merit Award Set Up

Officers and directors of the Illinois Association of Insurance Agents at a meeting in Chicago this week accepted from C. M. Cartwright, editor of THE NATIONAL UNDERWRITER, a fund whose purpose is to finance a "C. M. Cartwright Merit Award." This will be patterned after the Woodworth memorial award of the National Association of Insurance Agents. It will be a sterling silver plaque mounted on a wooden base and is proposed to be awarded each year, if in the opinion of the association officers such recognition is merited, to the Illinois individual who has performed some outstanding act or service to the agents of Illinois. By the terms of the award, it is not limited to association members.

To Be Awarded This Year

Acceptance of the gift by the Illinois association was announced by James J. Beattie, Rockford, president. The resolution of acceptance was prepared by W. H. Stewart and W. J. Laadt of Chicago. Rules will be drafted and eligibility determined for the award so it may be given for the first time this year. It is likely it first will be presented at the annual meeting to be held Nov. 9-10 in the Faust Hotel, Rockford.

Preliminary plans for the annual meeting were drawn by the executive officers at the Chicago meeting.

Merle A. Read, executive vice-president, announced the appointment of L. L. Hauser of the Mendenhall, Iliff Bros. & Hauser agency, Peoria, as acting vice-president of region 5, while Thomas M. Tobias is in the army. Mr. Tobias recently underwent a serious operation in the service and was reported near death, but now is recovering and has been joined at an army hospital by his wife and daughter.

Salzman Goes with T. E. Wood Agency

CINCINNATI — George Salzman, who has been manager of the Buckeye Union branch office here, has joined the Thomas E. Wood agency in charge of casualty production.

A native of Buffalo, Mr. Salzman was educated at Manlius Preparatory School and Western Reserve University. He received his law degree in 1927 and was admitted to the Ohio bar. He was in charge of Independence Indemnity's claim department from 1924 to 1933 and then went with Buckeye Union as associate claim adjuster in Cleveland, where he remained until he opened the Cincinnati office of that company a few years ago.

Active Support for Minn. Examination Plan Urged

ST. PAUL — Armand W. Harris, president Minnesota Association of Insurance Agents, has sent a letter to all members urging them to get behind Commissioner Johnson's requirement of examinations for agents. "This is something our association has been actively working for for many years," his letter says. "This ruling gives us at once something that we have been struggling to obtain for a long time." It is going to be a tremendous job for the insurance department and there may be possibly some minor changes in the

ruling. In the main, however, it will stand as it is.

"It is my sincere hope that all of you will support the commissioner right down the line and engage in an individual campaign of selling to the companies, to the public and to your fellow agents the idea that this is something of tremendous benefit to the insurance business."

Agent Can't Delegate Authority

MINNEAPOLIS — To clear up some disputed points as to who is authorized to solicit and sign insurance contracts, Manager George Blomgren of the Minneapolis Underwriters Association submitted five questions to the Minnesota department, which were answered by E. P. Freeman, deputy commissioner. The questions were inspired by the discovery that in some local agencies in Minneapolis employees not licensed are functioning as licensed agents.

"The statute is quite specific in stating that a license absolutely is required for any person acting as an agent and that anyone soliciting insurance, countersigning policies or collecting premiums is an agent," Mr. Freeman said. "It is not legal for a licensed agent of this state to delegate the privileges or authority granted in the license to any other person."

Plans for Wis. Wartime Conference

MILWAUKEE — Final plans are being completed for the informal meeting of representatives of local board and county units and unattached local agents who are members of the Wisconsin Association of Insurance Agents with state officers and committeemen here, May 22. The meeting has been called by President J. S. Rowland, as a purely wartime conference to discuss problems of the agents and the association in the war and postwar periods.

Sessions will open at 10 a. m. An insurance buyer, not yet announced, will address the luncheon meeting, and another discussion session will be held in the afternoon.

Fire Prevention Drive in Wichita

Emmett Cox, Western Actuarial Bureau, Chicago, and Fred A. Werbe, Kansas state fire marshal, met with the Wichita fire prevention committee to assist in launching an intensive fire prevention campaign. Wichita had one of its most disastrous months in April, with 140 alarms and loss of \$160,000. Four industrial and war plants were involved in the months' major losses, one burning during the flood of April 22, when fire department apparatus could not reach the plant due to high water, resulting in a total loss. Other major losses involved an insulation plant, awning factory and airplane parts factory.

May Relax Restrictions on Women

MILWAUKEE — Amendments to change the bylaws of the Milwaukee Board relating to membership of women in the board and appointing women as solicitors, have been authorized to be drawn up by the bylaws committee for presentation to the board.

Tell of Wichita Loss Adjustments

Gale Tilman, general adjuster of Western Adjustment, Chicago, and G. M. Montgomery, Wichita manager, spoke before the Wichita Association of Insurance Agents, explaining procedure and progress in handling the hail, automobile, wind and fire losses of the April 22 flood and hail storm in Wichita. It was reported that that organization alone

has more than 3,000 losses but through the zone system and with the return of favorable weather satisfactory progress was reported, with very little difficulty encountered. A question period followed their talks. Pres. C. J. Slawson presided.

W. P. Blinn Named Head of Neb. Inspection Bureau

OMAHA — Willis B. Blinn, who has been associated with the Nebraska Inspection Bureau since 1916 and assistant publisher since 1917, becomes publisher as of May 1. He succeeds the late Frank Stanbery, who died in February. Mr. Blinn started with the Missouri Inspection Bureau in 1912 and remained there until he went with the Nebraska organization.

Confer on St. Paul School Cover

ST. PAUL — Conferences regarding \$2 million public school insurance were held here this week between insurance men and city officials. The entire business expires May 18 and is being renewed for a five-year term with aggregate premiums of about \$32,000.

Heretofore this business has been written entirely in stock companies but mutuals are bidding on it this year. The manner in which it has been handled in the past has been highly satisfactory to city officials.

Schorer in Battle Creek

BATTLE CREEK, MICH. — Arno R. Schorer of Kalamazoo, president of the Michigan Association of Insurance Agents, addressed the Battle Creek association on the public relations program of the National association. Waldo O. Hildebrand, Lansing, secretary-manager of the state association, also attended and participated in the discussion.

Forbes Royal Oak Speaker

ROYAL OAK, MICH. — Commissioner Forbes addressed the Southern Oakland County Association of Insurance Agents and guests at a dinner meeting here May 17. It was the first large event staged by the newly organized local board. Waldo O. Hildebrand, Lansing, secretary-manager of the state association, was toastmaster.

Minn. Federation Meets June 20

MINNEAPOLIS — Because of wartime conditions, the annual meeting of the Insurance Federation of Minnesota this year will be confined to a brief business session here June 20. The customary luncheon with guest speaker is being abandoned but it is expected that many of those attending the business meeting will lunch together following the meeting.

NEWS BRIEFS

The Harry J. Leach agency at Morrison, Ill., which this year is marking its 34th anniversary, has rounded out representation of Niagara Fire, American Eagle Fire and American Alliance for 33 years, and Springfield F. & M., Hanover, Providence Washington, Fire Association and Home for 25 years.

The Insurance Women of Akron, O., will be host June 10-11 to all Ohio clubs belonging to the National Association of Insurance Women, including Cleveland, Columbus and Cincinnati. Delegates from Dayton, Toledo, Youngstown, Springfield and Canton, now in progress of organization, or that have not yet joined the national association, are invited to send delegates. Miss Mildred Lamert is general chairman.

Miss Edith Mawhinney was named president of the Insurance Women of

Cleveland at the annual meeting. Mrs. Kappa Lockman and Mrs. Stella Cadwallader are vice-presidents; Miss Dolores Bleiler, recording secretary; Mrs. Kay Fisher, corresponding secretary; Miss Charlotte Nichols, treasurer.

The newly elected officers and committee chairman will be installed at the June meeting.

The "bosses night" dinner meeting of the Insurance Women of Madison, Wis., was held Monday evening. Roman Vetter of the Vetter-Brahm Agency, who has assisted the organization in conducting its educational program, was guest of honor.

COAST

Inland Marine Panel Discussion

LOS ANGELES — The Hollywood Association of Insurance Agents held a panel discussion on inland marine coverages. Participants were Joe Brink, special agent at Phoenix; Claude Moss, vice-president W. B. Brandt & Co.; E. N. Van Ness, special agent Victor Montgomery general agency, and F. N. Hall, special agent of Security.

Panel on Office Procedure

The Long Beach (Cal.) Insurance Association held a panel discussion on office practice and procedure, with Joseph Kesler presiding. John L. Kelly discussed expiration control; Ray Underwood, collections; Lloyd Boivin, special application forms; and Myrl Ott, accident report control system.

A fire insurance committee was named to work with a chamber of commerce fire committee on a rate survey.

Plan Ore. Convention Aug. 16-17

Tentative dates for the annual meeting of the Oregon Association of Insurance Agents, set at a meeting of the executive committee in Portland, are Aug. 16-17 in Portland. The program will include a session of the executive committee, closed meeting for members and a banquet which will feature a figure of national prominence.

New Idaho Advisory Committee

SAN FRANCISCO — C. C. Stutt, manager of New Zealand, has been elected chairman of the Idaho advisory committee, with J. L. Biglen, assistant manager of New York Underwriters, as vice-chairman.

NEWS BRIEFS

J. E. Ottenheimer of Salt Lake City, state national director Utah Association of Insurance Agents, is a candidate for the legislature on the Republican ticket. Several important insurance measures will come before the Utah legislative, including an agents' qualification bill.

The King County Insurance Association will sponsor a noon program July 7 at Seattle's Victory Square in connection with the war bond drive. The event will be known as "Fire and Casualty Insurance Day."

Letcher Lusby of the National Tax Equality Association addressed the Spokane Insurance Association, explaining the work of his organization.

Jack Hubbard, Castle Rock, Wash., has sold his agency to A. V. Peterson, editor of the "Bowling County Advocate."

Insurance Women of Long Beach, Cal., elected these officers: President, Charlotte Kent, C. D. Beauchamp agency; vice-president, Vivian Warriner; recording secretary, Beulah Warren; corresponding secretary, Blanche Blair; treasurer, Rose Orelli.

Officers of the Insurance Women of Phoenix, Ariz., will be installed at a meeting May 20.

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1854

The Connecticut
Fire Insurance Co., Hartford, Conn.
1850

FOUITABLE
Fire & Marine Insurance Company
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1839

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THE CENTRAL STATES FIRE INS. CO.
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GREAT EASTERN FIRE INSURANCE CO.
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MINNEAPOLIS F. & M. INSURANCE CO.
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IN THE SOUTHERN STATES

Miss. Agents Set for Convention

The program for the annual convention of the Mississippi Association of Insurance Agents May 18-20 at the Hotel Heidelberg, Jackson, has been completed. On May 18 the board of directors will meet and there will be a joint session of directors and members of the forms committee.

Jesse L. White, insurance commissioner, will open the May 19 session with a discussion of unauthorized insurance and other matters in which the department is interested; O. Shaw Johnson, Clarksdale, president, and Theo Hardy, Vicksburg, national state director, will give their reports. In the afternoon Guy T. Warfield of Baltimore, member executive committee of the National association, will speak; M. Stockton, assistant manager southern department of Hartford Fire, Atlanta, will present "A Post-War Plan for Automobile Insurance," and then there will be an executive session. The annual dinner will be held Friday evening.

On Saturday, Arnold S. Kirchhoff, manager Fidelity & Deposit, New Orleans, will discuss current conditions and trends in the fidelity bond field; Frank X. Mara, U. S. Aviation Underwriters, Ft. Worth, "Probable Aviation Insurance Market of the Post-War Period,"

and then there will be a panel on present and post-war insurance problems. The convention will close with an executive session.

A panel on present and post-war problems will feature the meeting. The experts will be H. T. Holland of the Holland & Gates general agency, Jackson; Dan Mayers, manager Fire Companies Adjustment Bureau, Jackson; J. W. Robertson, manager W. A. Sullivan, Inc., Jackson; Hugh Simoneaux, Henry A. Steckler Company, New Orleans; Louis Vauthier, Godchaux & Mayer, New Orleans, and W. W. Samson, manager Mississippi Rating Bureau, Jackson.

Take Steps to Hold Auto Business for Local Agents

BIRMINGHAM — The Birmingham Association of Insurance Agents is taking steps to assure more post-war automobile business for its members following a meeting at which Manley Stockton of Atlanta, assistant southern manager of Hartford Fire, spoke on "Insuring Financed Autos."

President C. C. Crawford has appointed a committee to handle the matter of which William R. Phillips of the Engels Agency is chairman. One objective of this committee will be to arrange with several local banks and loan companies to finance automobile purchases on which the fire, theft and casualty insurance is written by local agents. Several bank cashiers and representatives were present at the meeting.

It was pointed out at the meeting that 100 or more automobile dealers in Alabama have been appointed agents to write automotive business and that if local agents are to get the business they will have to fight for it. A larger percentage of the coverage on used cars sold by dealers has been going to local agents in recent months, but it is thought this is partly due to the fact that many sales were on a cash basis, or else the purchase was financed by some local bank or finance company.

Aetna Companies Get Cover on Richmond Fleet

RICHMOND—Aetna Casualty has been awarded the public liability and property damage cover and Automobile of Hartford the fire and theft on the city's 553 motor vehicles by the mayor's advisory board. Wortley Dickie, Bur-

nette P. Tiller and Frank A. Hobson, local agents of the group, will share the coverage.

The low bid of \$8,500 on the P. L. & P. D. was submitted by E. G. Jordan, representing Harleysville Mutual Casualty, but the board decided to give it to Aetna Casualty on a bid of \$11,333. The low bid of 10½ cents per \$100 valuation on the fire and theft insurance was submitted by C. A. Ramstetter, representing Allied American Mutual Fire, Automobile of Hartford which was given the contract, submitted a bid of 15 cents per \$100 valuation. Thirty-six companies altogether submitted bids.

Last year the board awarded the contract for public liability and property damage to Travelers on a bid of \$13,395, while Harleysville Mutual Casualty held the contract the three preceding years.

A. S. Briggs Named Texas Inspection Bureau Head

DALLAS—At the annual meeting of the Texas Inspection Bureau A. Sidney Briggs, North British, was elected president; M. L. Canfield, Home, vice-president; R. U. Wright, New York Underwriters, secretary.

The executive committee is M. G. Jarreau, P. M. Marshall, and the officers.

Governing committee: W. E. Bonner, C. G. Dempsey, M. B. Elbert, Alwin Hines, J. F. Nowlin, J. O. Smith, Floyd West, C. A. Woolford, Jr., C. J. Wykoff, S. Foster Yancey, and members of the executive committee.

Correction on Ullrich Statement

E. A. Ullrich, production manager for Utica Mutual at Atlanta, was quoted in the April 27 issue as stating that agents were going to lose a lot of business to premium finance companies now controlling insurance companies, and that at a recent meeting held by General Motors and Chrysler it was decided to promote a package sale through dealers made up of the automobile, financing, and insurance coverage. Mr. Ullrich writes that in connection with the first statement this was his opinion and in connection with the second that it was rumored that this had been done.

Soape Wants New Rate Formula

DALLAS—At the public hearing before the Texas board of insurance commissioners May 18, Ralph Soape, Dallas, who regularly attends all hearings as spokesman for and defender of the public's welfare, will demand a new scientific rating formula which would set aside credits or penalties for each city and substitute a plan that would figure losses

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Southwestern General Agency	114 Sansome St., San Francisco
	Title & Trust Bldg., Phoenix

MARINE GENERAL AGENT

A. B. Knowles & Company	114 Sansome St., San Francisco
A. B. Knowles & Company	Colman Bldg., Seattle

Hobson, share the

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on the relation of cities to the cost in the same class in the state as a whole.

Mr. Soape, who styles himself execu- tive director of the Policyholders Inde- pendent Society, says fire insurance pre- miums in Texas are out of line with the risks involved and will file statistics for 1933-1942 which, he says, disclose that "fire insurance, during that period, has cost the insurance public \$64,832,520 more than the officially adopted rating formula contemplated, and has been more than eight times as profitable to the insurance companies as the board contemplated when the rates for the re- spective periods were fixed."

Huntsville, Ala., Board Elects

The Huntsville (Ala.) board at its annual meeting elected the following officers: President, J. R. Jones, Myra E. Jones & Co.; vice-president, C. S. Boswell, Boswell-White agency; secre- tary-treasurer, Miss Willa R. Moon of the Murphree agency, and C. S. Boswell, chairman, C. H. Davis and J. D. Thorn- ton members of the executive commit- tee. Committee chairmen are: Legisla- tive, C. S. Boswell; grievance, J. D. Thornton.

Members voted to close offices Wednesday afternoons during May through August.

Virginia Speakers Announced

Speakers at the annual meeting of the Virginia Association of Insurance Agents in Roanoke June 14-15 will in- clude: Fred A. Moreton, N.A.I.A. presi- dent; Sydney F. Small, vice-president Norfolk & Western Railway; C. E. Joyner, Virginia motor vehicle commis- sioner; Loring A. Schuler, general man- ager National Tax Equality Association, Chicago. Subjects of their addresses will be announced later.

Ala. Agents' Convention Sept. 7

The executive committee of the Ala- bama Association of Insurance Agents at a meeting in Montgomery decided to hold the annual convention at the Jef- ferson Davis hotel, Montgomery, Sept. 7. Directors and past presidents will meet at a dinner the evening before the convention.

The committee discussed plans for continuing to raise Alabama's share for carrying on the national public relations campaign.

Members of the Montgomery Real Estate Insurance Exchange met with the committee and made suggestions for the convention. They will have charge of most of the details.

Big Memphis Hail Claim Paid

MEMPHIS—A claim for \$11,000, said to be the largest resulting from the hail storm March 11, has been paid by Charles J. Haase of Marx & Bendsdorf, representing Memphis Fire to St. Luke's Methodist Church. Mr. Haase estimates that hail claims paid by his agency will total \$500,000.

NEWS BRIEFS

Charles M. Powell, Knoxville, Tenn., local agent, has been elected vice-presi- dent of the Junior Chamber of Com- merce there.

J. T. Parker, former local agent, re-

cently given a medical discharge from the army following an injury, after a year's service, joined the Bennett & Edwards agency, Kingsport, Tenn.

W. H. Davidson, Richmond manager Fire Companies Adjustment Bureau, has entered a hospital there for a minor surgical operation. He hopes to be back on the job soon.

Business of the William S. Peebles agency, Athens, Ala., has been sold to McWilliams Insurance Agency.

The A. R. Dodson agency, Humboldt, Tenn., has been purchased by Kimbrough L. Dunlap of Nashville, recently inducted into the Navy as a lieutenant (J.G.). Mr. Dunlap has placed the agency in charge of Mrs. K. D. Dodson as manager.

The Insurance Women of Dallas elected the following officers: President, Mrs. Lorena Norris, Seay & Hall agency; vice-presidents, Mrs. Helen Webster, Floyd West & Co. and Rosemary Herndon, Gen- eral Accident; secretaries, Elta Ross,

Crum & Forster, and Mrs. Alma Daigle, Associated Aviation Underwriters, and treasurer, Mrs. Thelma Switzer, Andrews McDowell Co.

Approximately 100 are expected to at- tend the annual convention of the North Carolina Association of Insurance Women at Charlotte, May 20.

Miss Clara A. MacCubbin, Baltimore, first vice-president of the National Asso- ciation of Insurance Women, and Regi- nald L. Price, Charlotte, North Carolina state national director, will be the prin- cipal speakers.

The Insurance Women's Club of Dallas is holding a 20th anniversary meeting June 2 to which representatives of other women's clubs in Texas and neighboring states have been invited. Special honors will be paid to two charter members—Miss Hattie Weaver of F.C.A.B. and Miss Kate P. McKay, who retired after 25 years' service with the loss department of Home.

N. Y. Agents Name Additional Officers

John C. Stott of Norwich, the new president of the New York State As- sociation of Local Agents, has been in the insurance business since 1918 when he opened a local agency in Norwich. He served National Surety in various capacities from 1921, and in 1928 returned to the local agency field in Norwich. He has long been active in the association and was legislative committee chairman during the past year.



J. C. Stott

Directors appointed Frank L. Gard- ner, Jr., of Poughkeepsie, R. M. L. Car- son, Glens Falls, and C. J. Schoen, Mt. Vernon, as members, in addition to of- ficers of the executive committee. Re- gional vice-presidents, all reappointed, are C. H. Twichell, Syracuse; J. J. Roe, Jr., Patchogue; R. D. Boyd, Glovers- ville, and J. L. Broughton, Pavilion. The directors voted to hold the 1945 convention in Syracuse.

tional committee of the stock agents' association has suggested a coordination of work by the two associations, in con- junction with the insurance commis- sioner, to prepare all agents to meet the qualifications set up in the agents qual- ification measure.

It is proposed that the commissioner designate a field man to coordinate the work and be in charge of the educa- tional program that will precede the license examinations.

Massachusetts Board Elects

The Franklin County Board at its an- nual meeting in Greenfield, Mass., elected these officers: President, John E. Bond; vice-president, J. F. Zappey; sec- retary-treasurer, L. Halsea Crozier. The Northampton Board has elected

EASTERN STATES ACTIVITIES

Dineen Rejects Suggestion of New York Brokers Group

NEW YORK—Superintendent Dineen has turned down the recommenda- tion of the New York Insurance Brok- ers Association that all fire policies af- fected by the recent rate reduction be extended for the time purchasable by the net saving involved. Mr. Dineen said the suggestion had been explored and rejected before the reduction order was issued.

Announce Program for Vt. Agents' Spring Parley

The spring meeting of the Vermont Association of Insurance Agents in the National Life auditorium at Montpelier May 18 will start off with a one hour session for members only early in the afternoon, followed by talks and then a banquet in the evening.

Howard Allen, Burlington, state na- tional director, will give a report on the Jackson meeting; Arthur H. Clarke, Boston, secretary of the Massachusetts association, will speak on "What Does Residence Theft Really Cover?" Lee O.

Tracy, president Vermont Mutual Fire, Montpelier, "Closer Cooperation Be- tween Companies and Agents," and Stuart Ragland, state national director of the Virginia association, will give an address.

At the banquet, Commissioner Burns of Vermont, Commissioner Harrington of Massachusetts, and Governor Wills of Vermont will speak.

Newark Target for Serious Fires

NEWARK—According to a report made by the National Board, "faulty building construction and congestion make Newark a target for serious fires."

The building code adopted some 10 years ago is "generally adequate." Build- ings are inspected regularly and good reports are kept. It is suggested that fire headquarters move to its own build- ing, that many of the pumps be re- placed, fire alarm system be improved and outmoded fireboxes be replaced with modern boxes.

Cooperate on Education in N. J.

NEWARK—The New Jersey As- sociation of Mutual Insurance Agents has notified its members that the educa-

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Roscoe K. Noble as president to succeed Alexander Borawski, who is in service.

Promoted by Mutual Fire

Mutual Fire in Harford county, Md., has promoted W. B. Munnikhuysen and W. M. Welch to vice-president. Each has been associated with the company many years. The company is making application to enter New Jersey, South Carolina and Georgia.

Speaks to Greenwich Board

GREENWICH, CONN.—Arthur T. Fleischauer, special agent of Firemen's Fund, spoke before the Greenwich Board on behalf of the Connecticut Field Club.

NEWS BRIEFS

Commissioner Harrington of Massachusetts was the honored guest at a dinner in Pittsfield attended by 80 insurance people. Harold D. Barnes, Pittsfield, president Massachusetts Association of Insurance Agents, introduced Commissioner Harrington, and Lt. Gov. Cahill spoke.

S. G. Spear, local agent at Malone, N. Y., has purchased the Alice M. Burke agency there.

George W. Tisdale, in charge of the educational program of Commercial Union, was speaker at the "Bosses Night" party of the Syracuse Insurance Women's Association. He is training girls to replace men going into service.

MARINE INSURANCE NEWS

Clarify Marine Extension Clauses

NEW YORK—Marine underwriters have issued an interpretation of policy on marine extension clauses in connection with an amended schedule of rates to be charged under combined marine surcharge and extended transit clauses. The principal changes are in rates where conditions are free of particular average.

Marine extension clauses are not designed to cover merchandise before it leaves the warehouse or factory to commence transit. Thereafter they apply up to the moment of delivery to the final warehouse at the final destination stipulated in the policy or certificate. The protection applies for an unlimited period until delivery unless the party at interest at his own volition holds up goods for storage or any other special purpose at a point in transit. The statement reads: "Under present conditions it is often necessary to have cargo readily available at a point at or near the seaboard, and in order to meet this situation facilities are offered shippers by railroad and other inland carriers to store export shipments at some point en

route to or at the port of export awaiting the first available steamer. Due to the same conditions, some shippers are temporarily storing goods at or near the port of export in order to have the cargo available for shipment on short notice."

Storage under these circumstances would be covered under the marine extension clauses if the goods have left the warehouse at the point where the insurance attaches as part of a bona fide shipment to a foreign destination for which a definite sales contract exists and for which an export license has been issued prior to leaving the original warehouse provided the goods go forward as soon as practicable, according to the statement.

This does not apply, however, where transportation is interrupted for processing or other purposes not immediately connected with the transportation of the goods. The marine extension clauses do not apply where merchandise is being assembled for eventual transportation to countries scheduled for liberation or waiting opening of transportation facilities, such as the Burma Road, for example, although the export license may have been issued prior to the time when the goods left the original warehouse.

WFA Tightens Up on Lockers

The War Food Administration has tightened restrictions on new frozen food locker plants and expansions. Among the new restrictions are a required number of paid rentals before the application will be considered, and definition of "producer" to mean operators of farms producing the kind of food normally stored in lockers who derive their principal income from farm operation. Even ability to meet these requirements may not assure approval unless materials are available. WFA states that in the first 15 days of April approximately half the materials available for locker use in the entire second quarter of the year had been allocated in applications processed by the various regions.

N. A. Film Gets Wide Showing

The educational film, "Around the World with Ocean Cargo," produced by the marine department of the North America, has been viewed by the army, navy and air forces, and by private concerns over the country that deal closely with the armed forces.

The picture shows the hazards which are encountered by shipments in world-wide travel and stresses the importance of proper packing and preparation of the shipment, the marking and forwarding, the various handlings the shipment gets in transit, and the final outturn at various foreign ports such as London, Rio and Buenos Aires.

Jelliffe with Hartford Fire

Fred P. Jelliffe has been appointed marine underwriter of Hartford Fire in the Cook county department, Chicago. He previously for some time was connected with the Fred S. James & Co. marine department in Chicago. Mr. Jelliffe started in New York City with Willcox, Peck & Hughes, brokerage office, in the marine end. He went to Chicago in 1929 with Universal in the automobile department, then with Newhouse & Sayre's marine department there before joining James & Co. Mr. Jelliffe has had 30 years' insurance experience.

Ray H. Johnson of Chicago, president Insurance Brokers Association of Illinois, has just received word from the army that his son Thomas, a lieutenant, who 10 days ago was reported missing in the Italian campaign, was captured by the Germans and is alive. Another son, Robert, a lieutenant of Rangers in the India-Burma campaign, was reported killed in action.

CANADIAN

Agents to Confer on Ontario Rate Situation, May 26

TORONTO—A special meeting of local agents will be held here May 26 to consider the Ontario fire rate situation in view of North America's action in reducing dwelling rates in the province 10%. It is anticipated that members of the Canadian Underwriters Association will be represented. Members of the Independent Fire Conference appear to be little concerned.

In a letter to all Ontario agents the C. U. A. points out that establishing a rate level is largely a matter of judgment in times of economic change because past experience is not a guarantee of the burning ratio of the immediate future. The majority of underwriters feels the present rate level is no more than adequate but they recognize that a reduction of rates by competitors brings up a threat of losing business. The question is either to retain business "by a further cut in rates, which cut would be against their (member companies) better judgment, or to allow their competitors to take the business in their hope that the rates may prove adequate, but that, if not, they can retain the business at an increased rate later on."

Agents' Views Asked

The C. U. A. holds that the agents owe the stability of their business "to the association and its sound methods. It is to the agents that the association companies must look for support. The business goes where the agent places it, and if the feeling among the agents is that they prefer 'independent judgment' to the 'combined judgment' of the companies acting through an association, a change will obviously be unavoidable."

Agents are asked to express their views on:

"1. In your opinion are tariff fire insurance rates in your territory fair and equitable. If not, what changes would you recommend?"

"2. Are there any other changes in practice which you would recommend?"

"3. Do you agree that a tariff association is the sole defense against the outbreak of unbridled competition which is now threatened?"

"4. Are you prepared to give the association companies your whole-hearted practical support in order to maintain stability?"

Information Returns Aug. 15

WASHINGTON—Tax exempt organizations are allowed until Aug. 15 to file their financial information returns required by the revenue act of 1943. Returns will be due then for the calendar year 1943 and for fiscal years ending before April 1, 1944. Blank returns to be used, Form 990, will be distributed through the revenue collectors.

The new law requires annual returns from certain mutual insurers, benefit societies, insurance trade associations and other non-profit organizations, including labor unions. Fraternal societies operating on the lodge system are exempt from this requirement.

Name General Agents' Committees

President Frank J. Pelletier of the American Association of Insurance General Agents, San Francisco, has appointed Joshua K. Shepherd, Little Rock, national councillor; S. Lewis Johnson, Charleston, S. C., chairman of the conference committee; George E. Edmondson, Tampa, Fla., chairman of the membership committee, and Stuart B. Scruggs, Dallas, chairman of the general welfare committee.

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FINANCIAL STATEMENTS DECEMBER 31, 1943

*AS FILED WITH THE NEW YORK STATE INSURANCE DEPARTMENT

Companies	Capital	Total Admitted Assets	Liabilities (except Capital)	Surplus to Policyholders
Firemen's Insurance Company of Newark, N. J. <small>Organized 1855</small>	\$9,397,690.	\$42,793,871.	\$24,910,943.	\$17,882,928.*
The Girard Fire & Marine Insurance Company <small>Organized 1853</small>	1,000,000.	5,723,207.	3,221,581.	2,501,626.*
National-Ben Franklin Fire Insurance Company <small>Organized 1866</small>	1,000,000.	5,137,857.	2,742,753.	2,395,104.*
The Concordia Fire Insurance Co. of Milwaukee <small>Organized 1870</small>	1,000,000.	5,297,200.	2,722,002.	2,575,198.*
Milwaukee Mechanics' Insurance Company <small>Organized 1852</small>	2,000,000.	13,846,475.	7,422,207.	6,424,268.*
The Metropolitan Casualty Insurance Co. of N. Y. <small>Organized 1874</small>	1,500,000.	12,553,279.	9,448,350.	3,104,929.*
Commercial Casualty Insurance Company <small>Organized 1909</small>	1,000,000.	12,817,701.	9,116,976.	3,700,725.*
Royal Plate Glass and General Ins. Co. of Canada <small>Organized 1906</small>	100,000.	350,653.	10,741.	339,912.

Pittsburgh Underwriters - Keystone Underwriters

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Newark 1, New Jersey

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120 So. LaSalle Street
Chicago 3, Illinois

FOREIGN DEPARTMENT

111 John Street
New York 7, New York



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465 Bay St., Toronto, Ontario
404 West Hastings St., Vancouver, B. C.

PACIFIC DEPARTMENT

220 Bush Street
San Francisco 6, Calif.

SOUTHWESTERN DEPARTMENT

912 Commerce Street
Dallas 1, Texas

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Somewhere, deep in enemy territory, our captured soldiers wait out the duration. Herded in prison camps, the shining event in their routine is the periodic arrival of a link from home—the American Red Cross package.

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Supplementing this help to our caged fighting men, the International Red Cross, the parent organization of the American Red Cross, is authorized to transfer messages from prisoners of war to their homes. Thus a two-way channel of communication between those brave captives and their homeland functions regularly.

Yet—this is but one of the many great services, in war and in peace, performed by the American Red Cross.

It is with a feeling of sincere gratitude that we salute this unique, essential and most humane of institutions.



This is the third of a series of advertisements dedicated to the American Red Cross by

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